

4-9-86

DECLARATION OF GERALD ARMSTRONG

I, GERALD ARMSTRONG, hereby declare as follows:

1. I have reviewed the document copies produced by plaintiff and cross-defendant Church of Scientology of California, hereinafter referred to as the "organization," pursuant to this Court's orders of July 2, 1985, September 9, 1985 and December 9, 1985. The documents were not designated as to which discovery requests they were being produced under. They were received in a stack of 139 pages which I have numbered in the same order as received. They consist of 57 pages of documents from my Guardian's Office Intelligence or B-1 files and 82 pages of "success" stories taken from my preclear (or auditing or processing) files.

2. I have personal knowledge that the organization has in its possession or control the following documents which it has not produced in the instant case but did produce for my viewing, but not for release to me, in March 1985, in the case of Christofferson v. Church of Scientology, Mission of Davis, et al, Case No. A 7704-05184, in the Circuit Court of the State of Oregon, for the County of Multnomah:

1. 14 page "time track"
2. O/W write up 4/4/72
3. \$3.00 fine from Boats I/C 10/20/72
4. \$250.00 promissory note 11/2/72

5. 4 page personnel survey 1/5/73
6. Orders of the Day (OOD's) - re Non-Existence assignment 8/21/73
7. Flag Conditions Order (FCO) 2513 Committee of Evidence re visas 8/21/73
8. OOD's re missed muster 8/25/73
9. Knowledge report from Deck Engineer 9/16/73
10. Doubt formula 10/10/73
11. Findings - Court of Ethics - FCO 2639-1 11/14/73
12. Treason Formula 11/20/73
13. Liability Formula 6/12/74
14. Flag Personnel Order (FPO) 515 Temporary Port Captain 7/7/74
15. Enemy Formula 7/13/74
16. Liability Formula 7/15/74
17. FCO 2507 Delayed Mission 8/14/73
18. FCO 2782 LRH Cramming Order 1/4/74
19. FCO 2848 Shore Ethics 1/30/74
20. FCO 2892 LRH Order 2/12/74
21. FPO 950 Warrant Officer 2/23/74
22. FPO 969 Port Captain In-Training 2/25/74
23. FPO 2926 Port Ethics 3/4/74
24. OOD's absent study - 3/24/74
25. FCO 2972 PR Study 3/31/74
26. FCO 2972 cancelled 4/1/74
27. FCO 3024 Port Captain's Office 5/18/74
28. Confusion Formula 7/13/74
29. Treason Formula 7/13/74

- 1 30. Liability Formula 7/15/74
- 2 31. No report report 9/26/74
- 3 32. FCO 3562 Exec Study 2/3/75
- 4 33. Liability assignment (vital info) 3/26/75
- 5 34. FCO 3793 Org Program No. 1 4/21/75
- 6 35. FCO 3813 Stale Justice 5/2/75
- 7 36. FCO 3939 Clearing stations 6/7/75
- 8 37. Note from Mary Sue Hubbard re parents 7/11/75
- 9 38. Note Ron Anderson to Mary Sue Hubbard 7/13/75
- 10 39. 11 pages of data for CSW to join Guardian's Office
- 11 (GO) 9/12/75
- 12 40. Dispatch to GO BRII Dir. re Mother 9/16/75
- 13 41. Non-disclosure bond 9/22/75
- 14 42. Letter to Fosdick from Andrew Armstrong 10/6/75
- 15 43. Letter to Fosdick from P.J. Armstrong 10/75
- 16 44. 12 page Compliance report re Mother 11/19/75
- 17 45. Bond re UCE 12-75
- 18 46. FCO 4517 RPF Assignment 7/1/76
- 19 47. 12 page Basic auditing checksheet 7/28/76
- 20 48. 15 page metering course checksheet 7/30/76
- 21 49. Declaration re RPF 7/28/76
- 22 50. \$750.00 promissory note 7/28/76
- 23 51. 3 page Rudiments Course checksheet 8/20/76
- 24 52. Executive Directive 81 Area Estates (ED AE) RPF
- 25 Bosun 10/10/76
- 26 53. Ethics Order (EO) 24 AE Additional RPF duty
- 27 10/17/76
- 28 54. PRF Personnel Order - supply officer 8/28/76

1	55. Undated RPF Treason formula
2	56. 3 page First Dynamic Danger Formula 12/7/76
3	57. Dispatch re Curacao Consulate 2/2/77
4	58. 3 page Liability Formula 2/12/77
5	59. Dispatch re Moosejaw, Saskatchewan arrest 3/8/77
6	60. Dispatch re Chilliwack, B.C. arrest 3/8/77
7	61. Security
8	62. FCO 4901 Comm Ev. 8/22/77
9	63. FCO 4906 Findings and Recommendations 8/30/77
10	64. Note - Parents caused trouble
11	65. PTS check 9/2/77
12	66. Larry Price recommendation 11/30/77
13	67. Attestation stats in normal in PRF 11/30/77
14	68. David Mayo Commendation 11/30/77
15	69. Senior C/S report 11/30/77
16	70. 3 page Letter Tonja Burden to L. Ron Hubbard 12/77
17	71. 2 page report from Tonja Burden on her father 12/77
18	72. 5 page report from Terri Armstrong re Tonja Burden
19	12/15/77
20	73. Order from Assistant Guardian SU re G. Armstrong
21	12/20/77
22	74. Answer from Hubbard re petition from G. Armstrong
23	3/28/78
24	75. Report from Clarisse Barnett re G. Armstrong 3/28/78
25	76. 5 page summary of Jamaica debrief 4/13/78
26	77. Treason Formula 9/27/78
27	78. Enemy Formula 9/27/78
28	79. Liability Formula 9/27/78

- 1 80. RPF Hat checksheet 9/29/78
- 2 81. RPF Basic Hat checksheet 10/1/78
- 3 82. Solo Auditor checksheets 10/1/78
- 4 83. Conditions Order 384 WHQ RPF 12/19/78
- 5 84. Doubt Formula 12/22/78
- 6 85. Conditions Order 288-3 re Posting 4/3/79
- 7 86. R Renovations statistics 12/8/79
- 8 87. Request chit withdrawal 12/9/79
- 9 88. Refusal to withdraw chit 12/9/79
- 10 89. Petition to Hubbard 1/8/80
- 11 90. CSW from Laurel Sullivan re G. Armstrong 1/18/80
- 12 91. Non-existence (NE) formula 2/3/80
- 13 92. NE Formula to Mary Sue Hubbard 2/5/80
- 14 93. Hubbard's answer to NE 2/8/80
- 15 94. 7 pages of OCA, Leadership, IQ, aptitude test
- 16 results 2/9/80
- 17 95. Mary Sue Hubbard answer to NE 2/11/80
- 18 96. 5 page GO interview re Tonja Burden 3/25/80
- 19 97. 2 pages re biography project 5/80
- 20 98. Dispatch to Leo Johnson re Martin Leslie 9/2/80
- 21 99. 2 page report re off-policy actions in the RPF
- 22 10/16/80
- 23 100. 6 page CSC "covenant" 1/20/81
- 24 101. GO interview re UCE 6/2/81
- 25 102. 11 page report to Sue re biographical sketches
- 26 6/18/81
- 27 103. 2 page letter from Jocelyn Armstrong to Holli
- 28 Carlson re parents 7/6/81

- 1 104. 5 page report from Jocelyn re parents 7/6/81
- 2 105. Report from Gary Reisdorf re G. Armstrong 8/14/81
- 3 106. Report from HCO Chief Product Development Org
- 4 International (PDOI) re G. Armstrong 8/17/81
- 5 107. 16 page critique of Research & Discovery biography
- 6 9/1/81
- 7 108. 4 page report to Sue Anderson re pack 10/18/81
- 8 109. 4 page biography debug project 10/30/81
- 9 110. 2 page report re Nibs 11/9/81
- 10 111. Dispatch from Lois to Donna re biography 11/9/81
- 11 112. 4 page report to Donna re biography 11/10/81
- 12 113. 17 page report Donna to Lois including G.
- 13 Armstrong's report 11/14/81
- 14 114. Report from Don Johnson re G. Armstrong 12/13/81
- 15 115. Report Don Jonson to Terri Gamboa re G. Armstrong
- 16 12/14/81
- 17 116. Report from Vaughan Young re G. & J. Armstrong
- 18 12/15/81
- 19 117. 6 page report from V. Young re G. & J. Armstrong
- 20 12/15/81
- 21 118. Report from Marcus Swanson re G. & J. Armstrong
- 22 12/21/81
- 23 119. Dispatch to Don Johnson re G. Armsrtrong 12/30/81
- 24 120. Dispatch Don Johnson to Barbara DeCelle 1/2/82
- 25 121. Report Don Johnson to Ciruss Slevin 1/2/82
- 26 122. Report Barbara DeCelle to Don Johnson 1/2/82
- 27 123. Report V. Young to B. DeCelle
- 28 124. Report from Jeannine Boyd re G. Armstrong 1/12/82

1 125. 4 page report from V. Young on meeting with G.
2 Armstrong 1/17/82
3 126. Same 4 page report to the case supervisor (C/S)
4 1/17/82
5 127. Report from Brad Ballentine re Brown family 1/20/82
6 128. 4 page report to Roberto of interviews re D. Brown
7 1/20/82
8 129. 3 page letter from D. Brown to H. Carlson 1/20/82
9 130. 2 page report from Peeter Alvet of interview of
10 Marilyn Brewer 1/21/82
11 131. 2 page report from Brad Ballentine of interview of
12 Laurel Sillivan 2/12/82
13 132. Report from V. Young on what G. Armstrong knows
14 2/12/82
15 133. Report from DGIUS (Donna) to DG US re G. Armstrong
16 2/12/82
17 134. "Summary" re G. Armstrong
18 135. Part of "analysis" (of 1982)
19 136. "Gerry Armstrong Project" 2/17/82
20 137. Report from H. Carlson to Senior C/S 2/20/82
21 138. Dispatch from Snr. C/S to H. Carlson 2/21/82
22 139. Report from B. Ballentine to Roberto re G.
23 Armstrong's files 2/22/82
24 140. Telex to SU from AGI GLA 2/23/82
25 141. B. Ballentine daily report (DR) re G. Armstrong
26 2/24/82
27 142. 4 page report from Branch I Director Flag GO
28 Intelligence re H. Carlson and G. Armstrong 2/25/82

- 1 143. 9 page delcaration of Terri Gamboa re Tonja Burden
- 2 2/25/82
- 3 144. AGI GLA DR re G. Armstrong 2/26/82
- 4 145. B. Ballentine interview of B. DeCelle 3/1/82
- 5 146. DR re G. Armstrong
- 6 147. DR re G. Armstrong (folders) 3/4/82
- 7 148. DR re G. Armstrong 3/5/82
- 8 149. DR re G. Armstrong 3/8/82
- 9 150. Physical description of G. Armstrong
- 10 151. DR re G. Armstrong 3/10/82
- 11 152. DR re G. Armstrong surveillance
- 12 153. DR re G. Armstrong stakeout 3/11/82
- 13 154. DR re G. Armstrong stakeout 3/12/82
- 14 155. DR re G. Armstrong stakeout 3/15/82
- 15 156. DR Guardian Activities Scientologist (GAS) called
- 16 B. Ballentine 3/16/82
- 17 157. DR re G. Armstrong 3/17/82
- 18 158. DR re G. Armstrong and Alan Walter 3/18/82
- 19 159. DR re G. Armstrong to Dick Sullivan 4/1/82
- 20 160. Letter from Dick Sullivan to G. Armstrong 4/12/82
- 21 161. 4 pages re Burden deposition in Paulette Cooper
- 22 case 4/82
- 23 162. HCO Policy Letter "Field Auditor Fees" 4/29/82
- 24 163. 4 page declaration by T. Gamboa 5/21/82
- 25 164. 3 page report re meeting with Kohlweck 5/26/82
- 26 165. 2 page "confidential" report re Nibs 6/1/82
- 27 166. Note G. Armstrong C/O John Compton
- 28 167. Report from AGI GLA re "Flynn Forum" 5/31/82

- 1 168. Report from DGI US re G. Armstrong being served
2 6/2/82
- 3 169. Description of G. Armstrong and address
- 4 170. 2 page report from B. Ballentine re "disaffecteds"
5 6/12/82
- 6 171. 3 page comparison of G. Armstrong Burden affidavits
- 7 172. 3 page analysis of G. Armstrong Burden affidavit of
8 6/25/82
- 9 173. 12 pages copy of article from "Look" Dec. 1950
- 10 174. 2 pages re G. Armstrong's accusations against
11 "Church"
- 12 175. Subpoena for Omar Garrison 8/31/82
- 13 176. 13 page affidavit from Ford Schwartz
- 14 177. 3 page J. Armstrong time track 8/16/82
- 15 178. 8 pages notes from G. Armstrong deposition
- 16 179. 4 page GO report re Walt Logan, etc. 8/29/82
- 17 180. Page 2 of report from Kathy, DG PR US
- 18 181. "Clearwater Sun" article re Nibs Hubbard 11/14/82
- 19 182. CIC X-file list re M. Parsons
- 20 183. 11 page report from Theresa Parsons 12/27/82
- 21 184. 2 page report from V. Young re "Time" and G.
22 Armstrong 1/14/83
- 23 185. 12 pages G. Armstrong deposition excerpts
- 24 186. 3 pages "New York Times" article 1/6/83
- 25 187. "Time" article 1/31/83
- 26 188. 5 page "debrief" of T. Gamboa re G. Armstrong
27 3/12/84
- 28 189. 10 page G. Armstrong delcaration for FBI 9/6/84

1 190. "St Petersburg Times" article 4/20/84
2

3 3. What the organization produced as my B-1 file in the
4 Christofferson case was in fact only a portion of the actual
5 file. On April 4, 1985, I testified about what items I could
6 determine with certainty were missing from what was produced.
7 My testimony and statements of counsel on that date are attached
8 hereto as Exhibit A. At page 4069, defense attorney, Harry
9 Manion, described the compilation of the B-1 time track:

10 "MR. MANION: All the documents referenced in the
11 time track: They are collected throughout the
12 organization in Ethics files, in Knowledge Reports, in
13 Flag Orders. The man was in the organization,
14 according to his own testimony, for eleven years.
15 Hundreds and hundreds of documents and other sources,
16 talking to people, were used to compile the time track.
17 At page 4070, the Court ordered the production of all documents
18 omitted from my B-1 files, including all documents up to date;
19 i.e., April 4, 1985, and attorneys for defendant organization
20 (the same organization as plaintiff and cross-defendant in the
21 instant case) agreed to produce all such documents.
22

23 These documents, however, were never produced. They
24 include up to April 1985 at least the following:
25

26 1. The documents from which the entiries on the 14 page
27 "time track" were excerpted or on which the entries were
28 based.

2. The documents from my "ethics" and "personnel" files.
3. The records and documents concerning my incarceration in the US GO Intelligence Bureau in Fifield Manor in June 1976.
4. The interview of me done by GO Intelligence official, Brian Roubinek, in July/August 1976 in Clearwater, Florida.
5. The Compliance reports or progress reports to each of the targets of the "Gerry Armstrong Project" of February 17, 1982, attached hereto as Exhibit B.
6. The statements, notes, names, dates, incidents, connections, data or other information culled from my pc (or preclear, or auditing, or processing) files.
7. The documents, materials or information on which the report of September 30, 1982 re Dead Agenting Gerry Armstrong is based.
8. The orders or correspondence to the private investigators who surveilled my wife, Jocelyn, and me beginning in May 1982, and who assaulted me, ran into me, attempted to involve Jocelyn and me in freeway accidents, and who followed and harassed us through September 1982. Also the daily PI reports from each day of this period.
9. The orders, reports, materials, briefings, and documents concerning a visit and subsequent telephone calls to me by Mark Rathbun in February through April 1984. Rathbun stated to me that the organization had done an "eval" regarding me, so this would include the eval, all accompanying "data," documents and the

1 resultant "program." An "eval," or evaluation, is a
2 mimeographed issue type, only approved with supporting
3 documentation.

4 10. The mission, project or program orders pursuant to
5 which Terri Gamboa met with me on March 8, 1984, and
6 subsequently wrote her "debrief" of March 12, 1984
7 attached hereto as Exhibit C. There could not be
8 "debrief" without there being a "briefing" on orders.

9 11. The orders, reports, correspondence and documents
10 concerning surveillance and harassment by organization
11 agents in London in June 1984. A copy of a declaration I
12 wrote on July 1, 1984 concerning the surveillance and
13 harassment is attached hereto as Exhibit D.

14 12. The orders, reports, correspondence and documents
15 relating to the operation in June 1984 to use my pc
16 folders to lure me into a trap. This operation was
17 acknowledged by the two organization agents, Mike Rinder
18 and "Joey" in the videotapes illegally taken of me in
19 November 1984.

20 13. The orders, reports, correspondence, and documents
21 relating to OSA INT Executive Directive 19, of
22 September 20, 1984, a copy of which is attached hereto as
23 Exhibit E. OSA or Office of Special Affairs is the new
24 name given to the Guardian's Office. Its functions are
25 the same.

26 14. The orders, reports and documents concerning the
27 photographing of me by organization members on
28 November 8, 1984 in Los Angeles, including the

1 photographs taken.

2 15. The orders, reports, correspondence, materials and
3 documents concerning the burglarizing of the trunk of my
4 car on November 8, 1984, and the theft therefrom of a
5 manuscript and artwork of approximately 350 pages, and
6 various documents relating to this litigation. This
7 includes the stolen materials themselves.

8 16. The copies made by organization agents known to me
9 as "Joey" and "Rena" of my writings and drawings which
10 she requested as a potential publisher, and which I
11 loaned to her on November 9, 1984. These consisted of
12 approximately 250 pages of personal creative works which
13 were copied without my knowledge, and the copies of which
14 were kept by the organization.

15 17. The records, reports, orders, correspondence,
16 documents and audio and video recordings of a meeting,
17 arranged by organization agents posing as "reformers,"
18 between an attorney Thomas Janeway and me in November
19 1984 in Encino, California. Janeway pretended to be
20 working for these "reformers" and attempted to entrap and
21 compromise me.

22 18. The records, reports, correspondence, orders,
23 documents or materials relating to the obtaining of false
24 authorizations "directing" the videotaping and
25 wiretapping of my attorney, Michael Flynn and me, in
26 November and December 1984. Three of these phony
27 authorizations are attached hereto as Exhibit F.

28 19. The records, reports, correspondence, orders, audio

1 and video recording, documents or materials relating to
2 an attempt by organization agents to get me to fly to Las
3 Vegas, Nevada in the fall of 1984 to meet with a proposed
4 "backer" of their intended litigation to "reform" the
5 organization.

6 20. The correspondence, reports, statements, documents
7 or materials supplied to or received from the Los Angeles
8 Police Department, or any officer thereof, in 1982
9 through 1984 in various attempts to have criminal charges
10 brought against me in connection with the Hubbard
11 archives (or "Armstrong documents.") It is known that
12 the organization corresponded at least with one officer,
13 S.J. Capuano in the N.E. Detective Division in this
14 effort to have me arrested

15 21. The orders, reports, projects, programs, briefings
16 and debriefings, audio and video recordings, and all
17 related documents and materials concerning what the
18 organization calls the "Armstrong Operation." This
19 operation, which in fact began right after I left the
20 organization, involved the use of a friend, Dan Sherman,
21 to get close to me, feed me false information, compromise
22 me and frame me, with the goals of destroying my
23 reputation, my ability to testify in Scientology
24 litigation, my emotional and physical well-being, my
25 economic base, my marriage and my life. On page 2 of the
26 February 17, 1982 "Gerry Armstrong Project," Exhibit B,
27 is the statement:

28 "Step 15) Persue (sic) the potential existing line

1 that might be available to us via a trusted GAS who is
2 a writer and who is respected by Gerry. This would
3 require some reach from Gerry, though, as he might be
4 suspicious if this GAS made a big reach for him."

5 Dan Sherman is the "trusted GAS." GAS stands for
6 Guardian Activites Scientologist, a covert operative of
7 the GO not formally posted on staff. The "Armstrong
8 Operation" became known to me in April 1985, when the
9 organization attorneys announced that meetings I had had
10 with two individuals, "Joey," and Mike Rinder, as
11 arranged by Sherman, had been secretly videotaped.
12 Sherman, Joey and Rinder represented themselves as part
13 of a group seeking to reform the organization and have it
14 cease its tortious and criminal activities, such as the
15 actions taken against me. Attorneys John G. Peterson and
16 Earle C. Cooley stated in Christofferson that there were
17 no written documents of any kind regarding this
18 operation. Their statements to the Court in that regard
19 on April 11, 1985 are attached hereto as Exhibit G.
20 Their statements must, however, be regarded, given the
21 magnitude of the operation, the expense, the number of
22 people involved, and the modus operandi and policies of
23 the organization regarding working only off of written
24 programs and orders and complying in writing to all
25 orders, as perjurious. There are thousands if not tens
26 of thousands of pages of documents not produced: daily
27 reports, weekly reports, battle plans, statistic reports,
28 PI reports, CSW's, projects, programs, evals, targets,

1 compliance reports, orders, nudges, debugs, requests for
2 funds, budgets (FP's), accounting reports, cross file
3 sheets, exception sheets, computer data and files,
4 briefings, debriefings, drillings, video recordings,
5 audio recordings, wiretap recordings, etc. These orders,
6 reports, documents and recordings involved at least:

7 Gerald Armstrong

8 Jocelyn Armstrong

9 Michael Flynn

10 Dan Sherman

11 Mike Rinder

12 Joey

13 Rena

14 John Peterson

15 Clayton Ruby

16 Eugene M. Ingram

17 Philip Rodriguez

18 Terri Gamboa

19 Thomas Janeway

20
21 Peterson's statement on April 11, 1985, at page 4692 of
22 Exhibit that the videotaping of me "was done by the
23 Toronto attorney (Clayton Ruby) and a private
24 investigator (Eugene M. Ingram), not me, not the Church,"
25 is also perjurious. Dan Sherman was an organization GAS
26 member, and Rinder and Joey, the two individuals who were
27 bodywired, who set me up, and who appeared in the video,
28 were organization members. Peterson's duplicity is also

1 shown in his declaration dated April 17, 1985, filed in
2 this case and several other cases around the country and
3 attached hereto as Exhibit H. Although on April 11,
4 before the Oregon Court Peterson professed no knowledge
5 of the "Armstrong Operation" and no "Church" involvement,
6 in his declaration he claimed to have "personal
7 knowledge" and stated that (at Par. 5) "Joey and the
8 Loyalists (the group claiming to be reformers) were
9 created only after the Church learned of Armstrong and
10 Flynn's desire to get an inside source within the
11 Church." (Emphasis added)

12 22. The orders, reports, compliances, briefings,
13 documents, audio and video recordings, photographs and
14 the materials relating to the forgery and attempted
15 cashing of a \$2,000,000 check on the Bank of New England
16 account of L. Ron Hubbard in 1982, and the operation to
17 frame Michael Flynn and me with the crime. Sherman and
18 the "Loyalists" stated to me, in order to draw me into
19 the "Armstrong Operation," that it was their intention
20 to, and they stated they could, prove that Flynn was
21 innocent and the organization was knowingly framing him.
22 They went so far, in order to demonstrate to me their
23 intent to help prove Flynn's innocence, as to provide me
24 with a document, a handwritten copy of which is attached
25 hereto as Exhibit I, to be passed to the authorities
26 investigating the check scam. In his "Declaration in
27 Opposition to Motion for Attorneys' Fees" dated July 30,
28 1984 and filed in this case, John Peterson claimed that

1 Michael Flynn was guilty of the forgery and the attempt
2 to cash the forged check, and he attached an affidavit by
3 one Ala Fadili Al Tamimi in support of his claim. Later
4 evidence revealed that the organization paid Tamimi
5 \$25,000 for the affidavit. And further evidence has
6 revealed that the organization knew in early 1984 that
7 Flynn had nothing to do with the check scam that the
8 Tamimi affidavit was false, yet it continued, through its
9 attorneys, the operation to frame him. The PI behind the
10 frame-up is Eugene M. Ingram, the same person who
11 illegally videotaped me. In his "testimony" before the
12 Los Angeles Police Department Board of Rights, regarding
13 Philip Rodriguez' unlawful and false authorization of the
14 videotaping and wiretapping of Michael Flynn and myself,
15 Earle C. Cooley also accused me of involvement in the
16 Hubbard check forgery. Cooley's testimony is attached
17 hereto as Exhibit J. At pp. 177, 178, Cooley states:

18 "I think the proof of this pudding is in the eating, on
19 the tapes and on the transcripts. The crimes were as
20 represented. If you look at the letter of
21 authorization signed by officer Rodriguez, it seems to
22 me that every one of those crimes was uncovered, and
23 that its investigation, if you will allow me, ought to
24 be focused on the criminals, who are the ones who have
25 brought about this hearing through a complaint on the
26 part of Michael Flynn who himself is being investigated
27 by a grand jury, the federal grand jury in the city of
28 Boston right now, as well as Mr. Armstrong and others

1 that were involved in the two million dollar check
2 forgery which is talked about on those tapes and is
3 part of the coverup that is attempted by phony
4 documents being planted in the files of the Church."

5 (Emphasis added)

6 There are thousands, if not tens or hundreds of
7 thousands, of documents relating to the Hubbard check
8 forgery, the purchased perjured testimony and the
9 attempts to frame my attorney Michael Flynn and me with
10 the "crime." These include at least: daily reports,
11 weekly reports, battle plans, battle plan reports,
12 statistic reports, PI reports on a daily basis from at
13 least 1982 to the present, CSW's, mission orders,
14 projects, programs, evals, targets, estimates, compliance
15 reports, progress reports, orders, nudges, debugs,
16 requests for funds, budgets (FP's), accounting reports,
17 cross file sheets, excerption sheets, computer data and
18 files, briefings, drillings, debriefings, audio and video
19 recordings, wiretape recording, etc. These orders,
20 reports, correspondence, documents and recordings involve
21 at least:

22 Gerald Armstrong
23 Jocelyn Armstrong
24 Michael Flynn
25 Joey
26 Mike Rinder
27 Eugene M. Ingram
28 John Peterson

1 Earle C. Cooley

2 Ala Fadili Al Tamimi

3 Wayne Hollingsworth

4 Stacy Young

5 Heber Jentzsch

6 Gary Pappas

7 Daniel Lenzo

8 Donald Randolph

9 L. Ron Hubbard

10 Akil Abdul Amiar Al Fadili Al Tamimi

11 Andrew Lenarcic

12 Jeff Chevelle

13 Mark Rathbun

14 Larry Reservitz

15 George Kattar

16 All the documents could be cross-filed under various
17 headings or names or code names.

18 23. The correspondence, orders, reports, statements,
19 documents photographs, or materials relating to the
20 "Freedom" tabloid issue 61, published in August 1984, a
21 reduced copy of which is attached as Exhibit K.

22 24. The correspondence, orders, reports, statements,
23 documents photographs or materials relating to the
24 article entitled "Ex-U.S. Attorney's Role in Check
25 Forgery Surfacas in Boston Court" in the "Freedom"
26 tabloid issue 62, published in October 1984, a reduced
27 copy of which is attached hereto as Exhibit L.
28

1 4. Following my testifying in Christofferson, the
2 organization continued its attack on me with numerous other
3 operations to discredit, harass and intimidate me, and destroy
4 my life. There are thousands of pages of documents as yet not
5 produced, concerning the incidents and acts as follows:

6 1. The correspondence, orders, reports, statements,
7 photographs, documents or materials relating to the
8 "Freedom" tabloid published in April/May 1985, a reduced
9 copy of which is attached hereto as Exhibit M.

10 2. The correspondence, orders, reports, statements,
11 photographs, documents or materials relating to the
12 "Freedom" tabloid published in May 1985, a reduced copy
13 of which is attached hereto as Exhibit N.

14 3. The correspondence, orders, reports, statements,
15 documents or materials relating to the "advertisement"
16 attached hereto as Exhibit O which appeared in "The
17 Oregonian" newspaper of May 30, 1985, in Portland,
18 Oregon, particularly with regard to the statement:

19 "Another one of Christofferson's key witnesses, Gerry
20 Armstrong, a government informant, was indisputably
21 shown to have engaged in an operation to infiltrate the
22 Church of Scientology. Armstrong's plot, based on
23 evidence submitted in court, appears to have been
24 conceived with the advice and consent of Flynn and
25 members of the IRS Intelligence Branch. It indicated
26 the planting of forged documents in the church which
27 could then be "discovered" by government agents in
28 planned raids on church premises. The forged documents

1 would incriminate the church in nonexistent illegal
2 activities and would serve as a basis for the
3 indictment of current church management."

4 4. The correspondence, orders, reports, statements,
5 documents or materials relating to the organization's
6 radio show "Freedom Magazine" on station WTPP in Boston
7 on June 11, 1985, a transcript of which is attached
8 hereto as Exhibit P.

9 5. The correspondence, orders, reports, statements,
10 documents, payments, receipts or materials delivered to
11 or received from L. Fletcher Prouty relating to G.
12 Armstrong. Prouty has signed a number of false
13 declarations concerning me in relation to the videotapes
14 since April 1985.

15 6. All edited versions of the videotapes which had
16 originally been made of me in November 1984. Attached
17 hereto as Exhibit Q is a flyer distributed to
18 Scientologists in April and May 1985 directing them to a
19 showing of an edited version of the tapes. Also, Earle
20 Cooley, during his testimony before the LAPD Board of
21 Rights showed an edited version of the videotapes. (See
22 Exhibit J, pp. 156-174.) Also, edited versions were
23 shown to various members of the media, including at least
24 the CBC, CBS, the "Sacramento Bee." An edited version
25 was also used by organization personnel as a promotional
26 device, showing members the version, misinterpreting its
27 content and significance and requesting from these
28 members \$2,000.00 each. The projected target was 25,000

1 people "regged" for \$2,000.00, or a total of
2 \$50,000,000.00 on the basis of these illegal videotapes
3 of me.

4 7. The correspondence, orders, reports, statements,
5 documents or materials, relating to the editing of the
6 videotapes, including the editing which occurred prior to
7 the Christofferson trial, plus the audio section edited
8 out of the videotapes.

9 8. The correspondence, orders, reports, statements,
10 documents or materials relating to the delivering of
11 edited versions of the videotapes to any members of the
12 media.

13 9. The correspondence, orders, reports, statements
14 documents or materials relating to me sent to any media
15 including newspapers, television and radio.

16 10. The correspondence, orders, reports, statements,
17 documents or materials, relating to the showing of the
18 videotapes or edited versions thereof to staff or public
19 Scientologists, including any briefings given, requests
20 for "donations" or funds, any projects, programs or evals
21 related to this operation and any financial records of
22 said operation.

23 11. The correspondence, statements, documents or
24 materials supplied to or received from the Los Angeles
25 District Attorney's office in 1985 or 1986 in an attempt
26 to have criminal charges brought against me in connection
27 with the videotaping of me by the organization. At page
28 167 of Earle Cooley's testimony at the Board of Rights on

1 October 4, 1985, (Exhibit J), he states: "charges have
2 been filed with the District Attorney of this County" and
3 at page 168 that "there were two submissions to him (the
4 DA), an initial submisssion and he called for additional
5 materials, and additional materials went to him last
6 week."

7 12. The correspondence, orders, reports, statements,
8 documents or materials relating to the photographing of
9 my residence in Boston, Massachusetts on October 7, 1985,
10 including all photographs created.

11 13. The correspondence, orders, reports, statements,
12 documents or materials relating to the mugging and
13 robbery of me outside my residence in Boston on
14 October 25, 1985.

15 14. The correspondence, reports, statements, documents
16 or materials supplied to or received from the Federal
17 Bureau of Investigation in 1985 or 1986 in an attempt by
18 the organization to have criminal charges brought against
19 me in connection with an incident allegedly occurring on
20 October 13, 1985, in Boston, Massachusetts. Attached
21 hereto as Exhibit R is a declaration I wrote immediately
22 following being interviewed by an FBI agent regarding
23 this attempt to frame me.

24 15. The correspondence, reports, statements, documents
25 or materials concerning the operation to bring false
26 criminal charges against me via the FBI as described in
27 13 above.

28 16. The correspondence, orders, reports, statements,

1 documents or materials relating to the "Freedom" tabloid
2 published in February 1986, a reduced copy of which is
3 attached hereto as Exhibit S.

4 17. The correspondence, orders, reports, statements,
5 documents or materials relating to the operation to have
6 several hundred copies of the "Freedom" tabloid
7 (Exhibit S) planted in the building where I work on
8 February 11, 1986 during my deposition in the case of
9 Burden v. Church of Scientology.

10 18. The correspondence, orders, mission orders, reports,
11 telexes, statements, documents or materials relating to
12 an operation or mission in February and March 1986
13 involving organization agent, Meryl Dubay, the purpose of
14 which was to "Black PR" me among plaintiffs and witnesses
15 in various cases against the organization.

16 19. The correspondence, orders, reports, statements,
17 documents or materials, relating to the photographing of
18 my residence on March 21, 1986.

19 20. The correspondence, orders, reports, statements,
20 documents or materials regarding me delivered to the
21 Internal Revenue Service in 1985 or 1986.

22
23 I declare under the penalty of perjury under the laws of
24 the State of California that the foregoing is true and correct.

25
26 Executed this 9th day of April, 1986 at Boston,
27 Massachusetts.
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GERALD ARMSTRONG

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF MULTNOMAH

JULIE CHRISTOFFERSON TITCHBOURNE,)

Plaintiff,)

vs.)

No. A7704-05184

CHURCH OF SCIENTOLOGY, MISSION)
OF DAVIS, a non-profit California)
corporation, doing business in)
Oregon; CHURCH OF SCIENTOLOGY)
OF CALIFORNIA, a California)
corporation, doing business in)
Oregon; and L. RON HUBBARD,)

Defendants.)

EXCERPT OF PROCEEDINGS

Volume VII

Pages ~~4059 to 4163~~

Testimony of Gerald D. Armstrong

April 4, 1985

BILL ELLIS & ASSOCIATES
Court Reporters
1001 S.W. Fifth Ave.
Portland, Oregon

1 (Court reconvened on Thursday, April
2 4, 1985, beginning at the hour of
3 9:40 a.m. Following proceedings held
4 out of the presence of the jury.)

5 THE COURT: Ready to go?

6 MR. WADE: Your Honor, we have brought copies
7 of the time track of Mr. Armstrong and his B1 file.
8 The first thing we would be discussing this morning
9 is the B1 file materials.

10 THE COURT: Mr. Armstrong was going to
11 testify about those specific items missing from his
12 B1 file.

13 (Mr. Armstrong resumed the witness
14 stand.)

15 THE COURT: You are still under oath.

16 MR. WADE: Your Honor, we have marked -- had
17 marked as Court Exhibit 253, the time track and also
18 an additional typewritten listing Mr. Armstrong
19 prepared, showing other documents which are missing
20 besides those circled in the time track. We would
21 offer that as Court Exhibit 253 at this time.

22 THE COURT: Just one second. Somebody gave
23 me a copy of a transcript of the deposition of Mr.
24 Armstrong -- I think you did, Mr. Runstein.

25 Number 253, is a Court Exhibit received for that

1 purpose. Okay.

2 (Court Exhibit No. 253 received.)

3 VOIR DIRE EXAMINATION

4 BY MR. WADE:

5 Q. Mr. Armstrong, I'm going to hand you what has been
6 produced as your B1 file. Before we go into the additional
7 items which are on the first page of Court Exhibit 253, would
8 you please go to your time track and tell the Judge what you
9 have done to show which documents are missing from the time
10 track from the B1 file and then explain how you know those
11 documents are missing.

12 A. What I did, Your Honor, was circle on the left-hand
13 side, all of the items which are missing. These items were
14 used in the preparation of this time track and they should
15 form part of this B1 file. All these things should have been
16 filed in here, the various FCOs, Conditions Order, and the
17 various reports, some of which are quoted from, but the report
18 which has been quoted from is not in the file. Everything
19 that I have circled here should be here and is missing from
20 the file. This is several pages.

21 THE COURT: There is a great deal of
22 material, if I'm looking at this correctly, that we
23 are talking about.

24 THE WITNESS: That's correct, Your Honor.

25 MR. MANION: Your Honor, I have an

1 explanation for it.

2 THE COURT: Okay.

3 MR. MANION: Last night I spoke with our
4 client and they told us about how B1 file was
5 compiled. Again, they gave us their absolute
6 assurance that the entirety of Mr. Armstrong's file
7 was produced.

8 A time track is compiled from a variety of
9 sources and documents. They talk to people, they
10 review Ethics files, they review Flag Orders, they
11 review hundreds and hundreds of documents. Somebody
12 sits down and makes a chronological summary of Mr.
13 Armstrong's activities while a member of the Church
14 of Scientology. Those documents never become part
15 of the B1 file. Flag Orders, Ethics Orders,
16 Knowledge Reports, internal communications, they
17 never find their way into the file, Your Honor.

18 The B1 file is just what we have produced.
19 Those documents that we turned over to Mr. Wade.
20 Now, for Mr. Armstrong, who has been out of the
21 Church since 1982 and whose involvement with the
22 Guardian's Office and B1 is at best tangential and
23 remote, to say that as a matter of practice, custom
24 and business the B1 files contain such documents is
25 incompetent and unsubstantiated.

1 Under the order that this Court issued, Your
2 Honor, Mr. Armstrong said as a part of his claim the
3 Bl file was missing documents, that documents even
4 up to today were not included in it. Your order,
5 Your Honor, only required the production of
6 documents through April 11, 1983. Our clients
7 assure us, and I believe it's the requirement and
8 the obligation of a party responding to a request to
9 produce, that everything contained in Mr.

10 Armstrong's Bl file was produced to him. That the
11 documents and the categories of documents found in
12 Mr. Armstrong's Bl files are the kind of documents
13 that you would find in anyone's Bl file. For Mr.
14 Armstrong to say because sources, Ethics Orders,
15 Flag Condition Orders, bulletins, all kinds of
16 documents were referred to or utilized in the
17 preparation of a time track, doesn't automatically
18 put those documents in the Bl file. They may have
19 been consulted, they might have been utilized.
20 There is documents all over a world-wide
21 organization. But they were never in the Bl file.

22 We give you our representation of counsel
23 that the question was asked specifically to the
24 client. The client was instructed as to the Court's
25 order. I went over in detail the Court's order,

1 what it encompassed with the client, and I assure
2 the Court that every document contained in the B1
3 file was produced to Mr. Armstrong.

4 Now, if Your Honor wants me to go through the
5 eight item that Mr. Armstrong has identified on page
6 one of Exhibit 253, and say were these reports ever
7 contained in the B1 file? Did you have any
8 knowledge they were pulled out of the B1 file? I
9 would be happy to do that. But I'm telling you,
10 Your Honor, these are the B1 files, notwithstanding
11 this witness' assertion that other things should
12 have been in it.

13 THE COURT: Let me understand this. This
14 addendum, additional documents, of eight items, is
15 that in addition to the circled numbers that are
16 contained --

17 MR. WADE: Yes, Your Honor. We would request
18 that we be provided the name with the person Mr.
19 Manion spoke to who gave him that information.

20 MR. MANION: I have no problem with that. It
21 was Mr. Gutfeld. And he's here.

22 MR. WADE: I would like to ask Mr. Armstrong
23 some more questions, if Mr. Manion is finished.

24 MR. MANION: Sure.

25 THE COURT: I'm in a difficult position

1 because I am in a position of not knowing what goes
2 in a B1 file.

3 MR. MANION: Your Honor, their request to
4 produce, we understand our obligation to press on
5 the client and explain to him, in very
6 understandable language, what they are required to
7 produce, and we did that. They have said this is
8 what is the B1 file. We are in the same position
9 you are, other than we give you our assurance that
10 we as counsel have discharged our obligation and are
11 satisfied with it.

12 BY MR. WADE: (Continuing)

13 Q. Mr. Armstrong, with respect to the listing from the
14 time track, how did you become familiar with the kinds of
15 documents that are in the B1 files?

16 A. Well, I have seen other B1 files in the organization.
17 I saw a B1 file which was Nibs Hubbard's B1 file. It was over
18 a whole file cabinet in size. And for every entry on the time
19 track, there was a document in the file.

20 Q. With respect to the listing and -- which is the first
21 page of Exhibit 253, would you explain to the Court what items
22 are missing and what leads you to believe that such items
23 would have been in the B1 file.

24 A. We are talking about the cover note on the front?

25 Q. Yes.

1 A. First of all, there is a note here saying: "No. 4.
2 I note the organization has B1 one files for this" -- should
3 be "the rest of my family members." That's not really an item
4 which is omitted from my file. However, the rest of them,
5 there are various references in here from which I can
6 determine that these reports were consulted or that they
7 should have been there. The first one is a major event. I
8 was locked up in B1 by the Deputy Guardian for Intelligence,
9 in June of 1976, in the Fiefield Manor. And there would be a
10 mass of reports from that period, all of which would have gone
11 into my B1 file. It's ludicrous to say they were when it was
12 such a major event for B1 itself.

13 There's a document in here called the Jerry Armstrong
14 Project, which involves a number of targets to be done
15 regarding me. There should have been all the reports which
16 arose from that. All the, actions which were taken by B1,
17 because it was a B1 operation. There are a number of
18 references in the B1 time track of material which was taken
19 from my PC files. All of the cullings which were done of my
20 PC files should have been in there.

21 There's a document which begins, number three, that
22 -- this is number five on my list here, "Data on how" -- it
23 continues on for half a page, at least page one of that
24 document is missing.

25 There is a page of Intelligence Report regarding the

1 Curacao Consulate, United States Consulate in Curacao in the
2 Netherlands Antilles. There are no other Intelligence Reports
3 for operations I was involved in in the Guardian's Office, on
4 the ship or later.

5 There's a document there having to do with a dead
6 agenting of Jerry Armstrong's, dated September 30, 1982. It
7 references a number of things about me, known out securities,
8 some phone calls I allegedly made, a mission which I was
9 supposed to have done to Charleston, communications to and
10 from George Kelly. It references a Madrid incident, an
11 incident when I was detained at the Madrid airport for a
12 number of hours. This also -- this is in itself, the DA of
13 Jerry Armstrong, is a Black Propaganda Campaign orchestrated
14 by the organization and there should be a mass of documents to
15 do with that.

16 There's a reference regarding an order from the
17 Special Unit, PAC, Pacific area, stating I was not to be
18 harassed. This is referenced, but it is not in the file.

19 Those are what I was able to, at a glance, see last
20 night.

21 Q. So what you find are actually parts of documents or
22 incomplete documents, and in addition to that, you find
23 documents which reference other documents which are not in the
24 file?

25 A. That's correct. Every time my name would be

1 mentioned, that document would go into my file. There is
2 massive cross filing within the Guardian's Office in B1.

3 Q. Mr. Armstrong, are there any other documents which
4 are not contained in your B1 file besides those you have
5 already mentioned?

6 A. If we are only taking a cutoff date of April 1983,
7 then all the documents concerning the month and a half of
8 harassment by private investigators hired by the organization
9 should all be in there.

10 Q. Would there be anything else in there?

11 A. I don't know. Thereafter, there's a mass of
12 documentation which ought to be there.

13 Q. What would that mass of documentation concern?

14 A. It would concern all operations by the organization
15 against me, operations in which people from the organization
16 were sent out to contact me for various things, Terri Gamboa,
17 Mark Rathbun. There was an operation in which I was harassed
18 in London, England; that also would be in the B1 file or be in
19 the Intelligence files in the organization, whatever those
20 Intelligence files currently are. They renamed the
21 Intelligence -- the Guardian's Office, the Office of Special
22 Affairs at some point.

23 There would be information regarding photographs that
24 were taken of me by the organization in November 1984. There
25 would be references to and hopefully all the documents which

1 were stolen from the trunk of my car, in November 1984.

2 There's a mass of documentation which the
3 organization has assembled on me which they have in their
4 possession, and they may have renamed the files from B1 to
5 some other name, but they've got this information.

6 Q. Are you then aware of operations against you in the
7 last year or two?

8 A. Yes.

9 MR. WADE: Your Honor, I think it's clear
10 from Mr. Armstrong's testimony, if the Court would
11 like to review, we've brought this B1 file. I think
12 of particular interest is the fact that certain of
13 these documents mention other documents of the same
14 sort, yet those documents are not in the file.

15 The B1 file of Nibs Hubbard, which Mr.
16 Armstrong has testified about, was produced for us.
17 I can provide to the Court the copies we have from
18 that file which show that when these excerpts are
19 taken, the other documents are contained in the same
20 -- it was then the B1 file. The difference may be
21 that in Nib's file, it was things that -- the
22 documents which they produced were unfavorable to L.
23 Ron Hubbard, Jr., whereas in this case, the
24 documents not being produced would be favorable to
25 Mr. Armstrong.

1 We request that there be sanctions against
2 the defendants if they do not forthwith produce the
3 entire B1 file of Mr. Armstrong, and those documents
4 which would be contained in that file. What has
5 happened is, they have produced documents which are
6 incomplete in many instances, documents which have
7 been removed in many instances, and the entire file
8 should be produced.

9 MR. MANION: Your Honor, Mr. Armstrong has no
10 familiarity with what his file contained before he
11 left the organization, so he can't tell us what has
12 been taken out of the file. He says a lot should
13 have been, should have been, ought have been. He's
14 been out of the organization since December of '81.

15 THE COURT: Mr. Manion, where are all these
16 documents?

17 MR. MANION: All the documents referenced in
18 the time track? They are collected throughout the
19 organization in Ethics files, in Knowledge Reports,
20 in Flag Orders. The man was in the organization,
21 according to his own testimony, for eleven years.
22 Hundreds and hundreds of documents and other
23 sources, talking to people, were used to compile the
24 time track. For him to say that L. Ron Hubbard's
25 son's time track is different to him --

1 THE COURT: I don't care about that. I want
2 to know where these documents are in the
3 organization.

4 MR. MANION: They are in the organization.

5 THE COURT: Let's have them.

6 MR. MANION: All right. We'll get on it.

7 THE COURT: In view of what we decided last
8 night of what cross-examination is going to consist
9 of, I want all documents with reference to Mr.
10 Armstrong, everything listed here, everything
11 circled, everything on this addendum list, produced.

12 MR. WADE: Your Honor, we would request
13 documents to date since the allegations concern
14 things which would have taken place after May of
15 1983.

16 THE COURT: I was expecting that question.
17 Are we going to get into an area after the date he
18 left?

19 MR. COOLEY: Yes, sir.

20 THE COURT: Then we need those documents as
21 well.

22 MR. COOLEY: All right, Your Honor.

23 MR. WADE: Thank you, Your Honor.

24 THE COURT: Now the question is, when?

25 MR. COOLEY: We will put our people to work

1 on it as soon as business concludes today.

2 THE COURT: Mr. Gutfeld is sitting there.

3 MR. COOLEY: May I consult with him, Your
4 Honor?

5 THE COURT: Sure.

6 (Mr. Cooley and Mr. Manion consulted
7 off the record with Mr. Gutfeld.)

8 MR. COOLEY: We believe we can do it by
9 Monday, Your Honor.

10 THE COURT: That will work; in view of what
11 our timetable is, I think that will work.

12 MR. COOLEY: I think it will, too, Your
13 Honor.

14 THE COURT: All right, that satisfies that
15 requirement, Mr. Wade.

16 MR. WADE: Thank you, Your Honor.

17 THE COURT: We have this document; I'll hold
18 on to it and let's work again.

19 Bring the jury back.

20 (Following proceedings held in
21 the presence of the jury.)

22 THE COURT: Good morning.

23 Mr. Cooley.

24 MR. COOLEY: Thank you, Your Honor.

25 CONTINUED CROSS-EXAMINATION

GERRY ARMSTRONG PROJECT

17 Feb 82

Project information: Gerry Armstrong is a blown SO Member who had access to a lot of sensitive information; he is now disaffected, from what we can see. He is hiding out apparently. He knows the GO has been looking into him, so he has been laying low to avoid this. So we don't know where he is currently and he is expecting us to approach him on a covert line. So this presents the trickiest of problems. It would undoubtedly antagonize him further if any of our investigation efforts became known to him. ~~Yet we still need to know what he's up to.~~

Project purpose: To obtain a means of predicting Armstrong's activity in such a way that there is no possibility of backflash.

Step 1) The first thing we need to do is to locate him. Those few people who know where he is probably are on the look out for GO inquiries. However, he is going to have to get a job soon to earn a living, by law he must notify the DMV when he moves - he might do this, and there are other things like that which can be checked and which may give us his location once he starts operating in the wog world again. These can be checked once we get his birthday and social security number. These should be available from his personnel records and his treasury records. So the steps would be:
a) Telex Flag and SU to locate his personnel file and to get his ss number from payroll records.

b) Use this data to check DMV, the post office, or any other source to locate him in a way that he would not be aware of it.

Step 2) Go through his files and folders to extract the names of people who knew him and who are still well connected up and completely trustworthy. Interview these people to find out who Gerry's close friends were and to see if he had any relatives in this area (we could then follow up to see if he might be staying with them).

Step 3) Determine which locations would be likely places that Gerry might be staying, assuming that he would be staying with friends or relatives. Check these out, either by physical surveillance or other means, to determine if he's there.

Step 4) Note that Gerry had tried to get OVG to hire him as a researcher after he blew. It could be that he gave a PT address to OVG. This should be checked out by going through the proper people who have a line to OVG to see if this can be done or if he has it.

Step 5) Conditional: If GA has not been located at this point by doing the above steps, then review what has been done and work out further actions that could be done to locate him.

Step 6) Once he is located, determine where he is currently working. This may entail following him to see where he works.

Step 7) Once it is established where he works, see what opportunities might exist there for setting up an inquiry line from an apparent "wog" angle. He might not be expecting that at all.

Step 8) Review his files for people who had a good commline with him and who are no longer on staff, and who would be trustworthy.

Step 9) Once the list of candidates has been selected from step 8 above, do a complete check on these people (discreetly) to see what their current status, demeanor, attitude, etc., are as regards their potential willingness to help us on this cycle.

Step 10) Using standard and discreet recruitment tech, interview the trustworthy candidates to see if they can be used as a resource.

Step 11) Arrange a suitable cover story and other standard procedures, such as a plausible reason for the resource to be contacting GA, etc.

Step 12) Initiate the commline and procede from there, on that line.

Step 13) Have a PT investigation done on Scott Brown in Phoenix, Arizona. He was running a squirrel group there and may have some sort of group going that could be entered by a public person. This needs to be checked out either via LV GO, or simply by sending a GLA resource to Phoenix for a day or two.

Step 14) Conditional: If it looks like an entrance point can be arranged through Scott Brown in Phoenix, this will have to be separately targetted out and persued. Perhaps we could get someone connected up to him in Phoenix who then moves to LA and connects up with the Brown family or Gerry here. That might be sufficiently subtle; GA might not suspect someone from Phoenix as he knows we don't have a GO there.

Step 15) Persue the potential existing line that might be available to us via a trusted GAS who is a writer and who is respected by Gerry. This would require some reach from Gerry, though, as he might be suspicious if this GAS made a big reach for him.

Step 16) If the product has not been achieved at this point, review the steps taken so far and debug or replan as needed.

End.

DECLARATION OF GERALD ARMSTRONG

1
2 1. I am making this declaration to bring to the Court's
3 attention activities in which L. Ron Hubbard, Mary Sue Hubbard
4 and/or Scientology, hereafter referred to as LRH, MSH and
5 Scientology respectively, are presently engaged relevant to the
6 "Temporary Stay Order" granted by the Court and annexed hereto as
7 Attachment A. It is hoped that this declaration will assist the
8 Court in evaluating what is the actual intention of MSH and
9 Scientology in seeking such a stay and the perverted use to which
10 any order by the Court may be put.

11 2. The following narrative describes recent actions taken
12 against my wife and me by LRH, MSH and/or Scientology. I remain
13 convinced that these parties seek my destruction and are trying
14 to frame me and drive me insane.

15 3. On June 21, 1984 I flew with my wife to London,
16 England. The purpose of my trip was to testify in the English
17 Court in a case involving the custody of two children. The
18 solicitor who had originally requested me to testify and with
19 whom I dealt while in London is Arthur Weir, Esq. of the firm of
20 Tweedie and Prideaux.

21 4. A friend of mine had telephoned me prior to my going to
22 London and informed me that Scientology knew of my trip and that
23 the organization was planning an operation against me to occur
24 while my wife and I were in London. Prior to our trip I alerted
25 Mr. Weir and Julia Dragojevic, my attorney in the instant case,
26 of this possible intelligence action. My wife and I decided to
27 still go to London because we felt that not going would only
28 allow Scientology to continue to control our lives by threat and

1 intimidation.

2 5. I testified in the custody case on June 25 and on
3 Tuesday, June 26, two incidents occurred which indicated to my
4 wife and me that an operation of some sort was being carried out
5 against us. At approximately 10:00 a.m. the receptionist of the
6 hotel in which we were staying asked me to take a telephone call
7 in reception. We were staying on the fifth floor and had no
8 telephone in our room. I walked down to the first floor to take
9 the call. The caller, a woman, simply confirmed that I was Gerry
10 Armstrong and then hung up. I waited about fifteen minutes for a
11 call back which didn't come. I knew then that Scientology
12 operatives had discovered and confirmed where my wife and I were
13 staying in London. Later in the day we spotted a man on top of
14 a building across the street from our hotel watching our room. I
15 knew then that we were being surveilled but did not determine the
16 purpose of the surveillance until the day of our departure from
17 London.

18 6. I alerted Mr. Weir to the phone call and the
19 surveillance but there was nothing else to be done at that time.
20 The biggest effect caused was to make my wife's and my stay in
21 London worrisome and tense when it could have been pleasant.

22 7. On June 29 when my wife and I were checking in at
23 London's Heathrow airport for our return flight to the U.S., we
24 were accosted by three men, one of whom called my name and thrust
25 at me the Temporary Stay Order, Attachment A. It was then 11:20
26 a.m. Our plane was due to depart at 11:55 and was already
27 boarding. There was no actual reason for the Temporary Stay
28 Order to be served on me at the airport in London since it has

1 for some time been the arrangement for any service of pleadings
2 etc. to be made on my attorney of record in my stead. The only
3 purpose of such service at that time and the harassment that
4 followed would be an effort to make us miss our flight back to
5 the U.S.

6 8. The man who did all the talking of the threesome was in
7 his 40's about 5'10", very overweight and with an offensive odor.
8 He identified himself as John Ingram, a private investigator.
9 One of the other men was grey haired, probably in his 50's also
10 around 5'10" and more distinguished looking than Ingram. The
11 third man was probably in his early 20's, about 5'5" wearing a
12 motorcycle jacket and carrying a helmet. My wife identified him
13 as having followed us all the way from downtown London in the
14 train to the airport. These two men would not give their names,
15 but admitted that they worked for Ingram.

16 9. I had heard about Ingram on the previous Saturday from
17 a former Scientologist, Jon Attack. Mr. Attack had told me that
18 Ingram was retained by Scientology in the U.K. and had been
19 involved in harassment of people who had split off from the
20 organization. Ingram is not the same person as Eugene Ingram or
21 Ingraham, another private investigator employed by Scientology in
22 the U.S. to carry out their covert operations and harass
23 individuals.

24 10. At Heathrow airport, Ingram was abusive and pushy. He
25 and his cohorts followed my wife and I through the airport as we
26 went through the check-in procedure. Ingram kept questioning me
27 and accusing me about being in contempt of court and about an
28 alleged meeting on Tuesday evening, June 26 at the Olde Cock

1 Tavern in London. Ingram's statements ran as follows:

2 "Who did you meet at the Olde Cock Tavern on Tuesday
3 evening?"

4 "Who was the man you met at the Olde Cock Tavern?"

5 "You're in contempt of court."

6 "Who did you give the sealed documents to?"

7 "You violated the court order."

8 "You were seen giving the sealed documents to a bearded
9 man on Tuesday evening in the Olde Cock Tavern."

10 "Who was the person you gave the sealed documents to?"

11 "Two private investigators observed you on Tuesday
12 evening in the Olde Cock Tavern giving the sealed
13 documents to a bearded man, an Arab. You're in
14 violation of this court order. You're in contempt of
15 court."

16 11. I told Ingram that he was (variously) mad, working for
17 terrorists, a liar, harassive, trying to frame me, and full of
18 fecal matter.

19 12. There is absolutely no truth to Ingram's statements or
20 accusations. I had no sealed documents in London, nor any way to
21 obtain sealed documents. I had met no Arab in London. I had
22 given no one any documents while in London except a copy of Judge
23 Breckenridge's intended Judgment and this to no bearded man, no
24 Arab and nobody in the Olde Cock Tavern.

25 13. I had been in the Olde Cock Tavern restaurant on
26 Monday, June 25 for lunch with my wife. This establishment is on
27 Fleet Street, right across from the English Court where I was
28 then testifying. When the Court broke for lunch my wife and I by

1 chance ate at the Olde Cock Tavern. We ate alone and did not
2 pass documents to anyone. On Tuesday evening, June 26, my wife
3 and I, because we had had a good meal there the day before and
4 because it is near the hotel where we were staying, decided to
5 have dinner at the Olde Cock Tavern. Upon arriving in front of
6 the establishment, however, we found a sign stating that the
7 restaurant was closed except for a private party which had
8 reserved it for the evening. We therefore did not enter the Olde
9 Cock Tavern on Tuesday evening.

10 14. At a minimum the actions of these private investigators
11 hired by LRH, MSH or Scientology are harassive and designed to
12 intimidate my wife and me. More likely these actions are part of
13 a larger plan to entrap or frame me and so bring about my
14 destruction which these people seek. Entrapment and frame-ups
15 are standard Scientology intelligence actions. Allegations of
16 contempt of court are designed to break me financially by forcing
17 me to defend myself legally. The actions of LRH, MSH and/or
18 Scientology keep me convinced that I have no future after
19 Scientology and that my life and my wife's life are just as much
20 in danger now that the case has been won as before the litigation
21 began. LRH, MSH and Scientology are vindictive and will stop at
22 nothing to get revenge.

23 I declare under penalty of perjury that the foregoing is
24 true and correct.

25 Executed this 1st day of July, 1984 at Costa Mesa,
26 California.

27 
GERALD D. ARMSTRONG
28

IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA
SECOND APPELLATE DISTRICT
DIVISION THREE

CHURCH OF SCIENTOLOGY OF
CALIFORNIA, and
MARY SUE HUBBARD,

Petitioner,

v.

THE SUPERIOR COURT OF THE
STATE OF CALIFORNIA, FOR
THE COUNTY OF LOS ANGELES,

Respondent.

GERALD ARMSTRONG,

Real Party in
Interest.

No. B 005912

(Super. Ct. No. C 420153)

CLERK OF COURT
J. 2
CLAY BOWMAN, JR.
Deputy Clerk

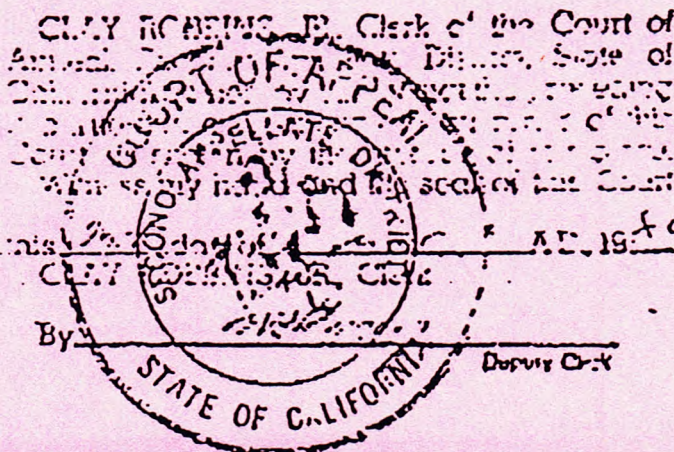
TEMPORARY STAY ORDER

THE COURT:

In order that this court may have the opportunity to fully consider the "Emergency Application for Stay Pending Appeal", filed June 22, 1984, and the supplement thereto, filed June 25, 1984, it is hereby ordered that the exhibits received in evidence and

marked for identification in Los Angeles Superior Court Case No. C 420153, entitled Church of Scientology of California, et al. v. Gerald Armstrong, shall not be made available for public inspection pending resolution of this application for relief. The "inventory list and description of materials" presented to the court by the attorneys for Gerald Armstrong also shall not be made available to the public at this time.

Opposition to this "application" is to be filed on or before July 2, 1984.



EXECUTIVE DIRECTIVE

OSA INT ED 19
ALL SCIENTOLOGISTS
PUBLIC NOTICE BOARD
STAFF NOTICE BOARD

20 September 1984

SQUIRRELS

The following people have demonstrated that they cannot be trusted with the religion of Scientology or Scientologists. Their actions are destructive and aimed at the enslavement rather than the freedom of man.

Dede Voegeding
Kima Douglas
Gerry Armstrong
John Nelson
Laurel Sullivan
David Mayo

The above named squirrels have attempted to taint government with their false reports.

They have deliberately held policy up to scorn and altered such policies to suit their own destructive end.

Some of these squirrels have offered false testimony to the IRS in order to protect their overts against mankind and their only road out of this universe.

Several of them have misrepresented Scientology practices to the FBI or Justice Department in a futile attempt to taint the minds of the government and the courts against the Church of Scientology.

They have supported psychiatric aims and principles over Scientology principles in their misrepresentations to Department of Justice representatives as well as Boston lawyer Michael Flynn.

They have turned from ethical and moral Scientology principles by demanding no ethics be applied to them or by them.

Several of them have spoken out against Scientologists in good standing to the IRS in a hope that they might escape from their own destructive acts and shift attention from themselves and their crimes.

They have altered and assisted in the alteration of Tech in an attempt to seal off the bridge to those who have fallen prey to their destructive intentions.

Their continued harmful acts to themselves and their continued desire to drag others to the level of beasts and animals devoid of spiritual qualities places them in the psychiatric camp of those who manufacture madness for profit.

Therefore, be it known that these acts of spiritual destruction and cries for no ethics, no morals, and no policy, have separated them from the body of the ethical and practicing Scientologists of this planet.

Dedicated Scientologists need not support them until they have fully repented and fully fulfilled all of the requirements of the Ethics and Justice PLs dealing with suppressives and suppressive acts.

This ED is written that those who are not informed as to the acts of those named above may now be so informed.

It is written so that those who are not Scientologists may be warned that these individuals do not represent the Church or the religion of Scientology in any capacity.

Their only terminal is the International Justice Chief.

CO OSA INT

Authorized by
AVC INT

for the
CHURCH OF SCIENTOLOGY
INTERNATIONAL

CSI:AVCI:COOSAI:ts
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EUGENE M. INGRAM
INGRAM INVESTIGATIONS
California License Number RA9387
1212 North Vermont Avenue
Los Angeles, California 90029

November 7, 1984

To: EUGENE M. INGRAM, PRIVATE INVESTIGATOR

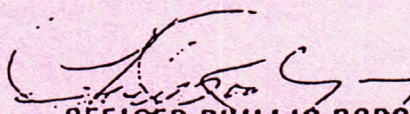
From: PHILLIP RODRIGUEZ, POLICE OFFICER, NORTHEAST DIVISION, CITY OF
LOS ANGELES

I hereby direct EUGENE M. INGRAM and his employees/agents or other persons acting under his direction, to intentionally and without the consent of all parties to a confidential communication, by means of any electronic amplifying or recording device, eavesdrop upon or record such confidential communication, whether such communication is carried on among such parties in the presence of one another or by means of a telegraph, telephone or other device, for the period November 7, 1984 thru November 14, 1984; provided however, that if recordings are accomplished on any day during the above period, EUGENE M. INGRAM is to report the results to me for further direction by me.

This authorization shall specifically pertain to the investigation of GERRY ARMSTRONG, MICHAEL J. FLYNN, AND OTHERS NOT KNOWN AT THIS TIME, regarding possible criminal violations of, but not limited to, California Penal Code §664 (Attempts), §134 (Preparing False Documentary Evidence), §182 (Conspiracy) and/or any other violations of criminal laws.

This authorization is in compliance with California Penal Code §633.

Signed in Los Angeles, California, on November 7, 1984.


OFFICER PHILLIP RODRIGUEZ
SERIAL NUMBER 16924
LOS ANGELES POLICE DEPARTMENT

Rept 1

EUGENE M. INGRAM
INGRAM INVESTIGATIONS
California License Number AA9387
1212 North Vermont Avenue
Los Angeles, California 90029

November 13, 1984

To: EUGENE M. INGRAM, PRIVATE INVESTIGATOR

From: PHILLIP RODRIGUEZ, POLICE OFFICER, NORTHEAST DIVISION, CITY OF
LOS ANGELES

I hereby direct EUGENE M. INGRAM and his employees/agents or other persons acting under his direction, to intentionally and without the consent of all parties to a confidential communication, by means of any electronic amplifying, or recording device, eavesdrop upon or record such confidential communication, whether such communication is carried on among such parties in the presence of one another or by means of a telegraph, telephone or other device, for the period November 15, 1984 thru November 21, 1984; provided however, that if recordings are accomplished on any day during the above period, EUGENE M. INGRAM is to report the results to me for further direction by me.

This authorization shall specifically pertain to the investigation of GERRY ARMSTRONG, MICHAEL J. FLYNN, AND OTHERS NOT KNOWN AT THIS TIME, regarding possible criminal violations of, but not limited to, California Penal Code §664 (Attempts), §134 (Preparing False Documentary Evidence), §182 (Conspiracy) and/or any other violations of criminal laws.

This authorization is in compliance with California Penal Code §633.

Signed in Los Angeles, California, on November 13, 1984.



OFFICER PHILLIP RODRIGUEZ
SERIAL NUMBER 16924
LOS ANGELES POLICE DEPARTMENT

Dept 9

EUGENE M. INGRAM
INGRAM INVESTIGATIONS
California License Number AA9387
1212 North Vermont Avenue
Los Angeles, California 90029

November 28, 1984

To: EUGENE M. INGRAM, PRIVATE INVESTIGATOR

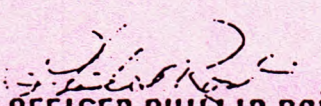
From: PHILLIP RODRIGUEZ, POLICE OFFICER, NORTHEAST DIVISION, CITY OF
LOS ANGELES

I hereby direct EUGENE M. INGRAM and his employees/agents or other persons acting under his direction, to intentionally and without the consent of all parties to a confidential communication, by means of any electronic amplifying or recording device, eavesdrop upon or record such confidential communication, whether such communication is carried on among such parties in the presence of one another or by means of a telegraph, telephone or other device, for the period November 30, 1984 thru December 07, 1984; provided however, that if recordings are accomplished on any day during the above period, EUGENE M. INGRAM is to report the results to me for further direction by me.

This authorization shall specifically pertain to the investigation of GERRY ARMSTONG, MICHAEL J. FLYNN, AND OTHERS NOT KNOWN AT THIS TIME, regarding possible criminal violations of, but not limited to, California Penal Code §664 (Attempts), §134 (Preparing False Documentary Evidence), §182 (Conspiracy) and/or any other violations of criminal laws.

This authorization is in compliance with California Penal Code §633.

Signed in Los Angeles, California, on November 28, 1984.


OFFICER PHILLIP RODRIGUEZ
SERIAL NUMBER 16924
LOS ANGELES POLICE DEPARTMENT

Dept 10



12 March 1984

DEBRIEF - GERRY ARMSTRONG MEETING - 8 MARCH 84

I met with Gerry Armstrong on Thursday, 8 March 84 to see if I could do any kind of a handling on him to get him to knock off the war and back out of the suit or anything in this direction.

I phoned him on Tuesday the 6th and told him that I would like to meet with him as a friend to see if I could help him in any way. He was agreeable to a meeting, I asked if he was going to bring his wife and he said he would see if she wanted to come and if she did then she would come, otherwise she wouldn't. (He was in Apathy/Boredom)

On Thursday I met with him at 10:00 in the morning up at the Griffith Park Observatory. I arrived 20 minutes late. They drove up behind me, but I found out they had waited 20 minutes and given up, they left but saw me coming up the hill so turned around and came back. So they definitely wanted the meeting. His wife did come so I asked if she could wait for us as I wanted to speak to him alone. They agreed to this.

From the point that he had gotten out of the car, he looked very hostile with a very stern face. His eyes and face looked very insane.

He came over to me and we walked away to talk and I just opened up with regular small talk but the first thing he did was stick his notebook in my face and written on it was "You said that you could help me, so how can you help me?"

Anytime I tried to say something to him, he would just put the notebook in front of me without saying a word, in other words, he didn't want to give me any information or get into anything other than hear what I had to say and how I could help.

I told him that I just wanted to see him uninvolved from all this, I didn't think he needed to keep carrying on this war and that he could end it just by getting out of the suit before it got worse for him and before he ended up owing even more money.

He started to rant and rave to me about how Scientology and LRH had lost him 15 years of his life because it had done him in and jerked him around and screwed him over and so on and so on, ranting and raving insanely. He definitely wanted to get

out of the suit but has a \$100 to \$150,000 debt to his attorneys which he absolutely must pay as they are his "friends" and he "owes them his life for saving him from all this".

I pointed out that he stole the documents and started this whole thing himself, all he had to do was give back the documents and he could end the whole thing. He disagreed of course that he had stolen the documents and said that those documents are vital to proving that he's been screwed around and jerked around with for years. He wants his pc folders very much so that he can regain his sanity by "sorting out what Scientology did to him and unravel it". He kept hinting at wanting some sort of an offer from the Church to help him pay off the attorneys as he is not willing to step out of this and be left economically busted for the rest of his life, as he puts it. I pointed out that there is no way that the Church is going to pay any of his attorney bills as he stole the documents and started the whole thing - the best he can do is to get out before it's worse.

I told him about the recent win in the LA case where the judge ruled that Scientology is a religion etc., etc.... He mentioned that he didn't know about this, but so what type of a response.

He would consistently rant and rave about how Scientology is screwing the world and it's worse than the government and this and that. He would flip into about 100 different valences all at once. He said that he still thinks I'm over the litigation and who am I going to go back and report to and did I get what I came for and here I am just jerking him around like all the others. He saw Marty already and he got jerked around by Marty and now he's getting jerked around by me.

I told him he was jerking me around as I came as a friend to talk to him and he wasn't even willing to talk he just ranted and raved about things that I don't even want to hear, and he might think and believe those things on Scientology and LRH and that's fine but there's millions of other people who don't and I don't and I didn't come here to listen to him carry on about this bullshit. At this point he would knock it off as he could see that I was willing to end the meeting if he did continue. Then we would start having a somewhat sane discussion for a few minutes before the ranting and raving started up again. He compulsively had to rant and rave about Scientology and LRH.

Then he started telling me about his little bird that he has at home and how it speaks 100 different words and it's the sanest part of his life. And then in the middle of this decent conversation, he blurts out "And don't you send one of your people around to kill him!".

He is constantly on the alert and look out for snipers - in the bush that we have planted to kill him. While we were

up at Griffith Park he would constantly look around, in the bushes and check everywhere in case I had set him up. Somebody burst a balloon up there and he almost had a heart attack thinking someone had fired a shot at him.

He said that Scientology has operations out on him trying to kill him and someone (one of us) tried to run him off the freeway and so on. Then he said that he would rather be dead than fighting this way and maybe we would do him the favor of killing him because then it would be all over and he wouldn't have to worry about it anymore and he'd be dead. He said how he can't have any friends because he's afraid of getting close to anybody in case they're a spy for Scientology or whatever. He brought up the SP declare and all the things that are stated in it and how they were not true and they're very out of hand. He again mentioned his pc folders and asked me if I could pass on a message that he wanted his pc folders back. He then asked me to take a message back - "Here I'll give you something to take back to them...If I delivered all the documents to the Church, would they agree they could never be made public under any circumstances, or barring that, under what circumstances would they be made public?" He said "Ask them that, I'd like to know that."

I then asked him why he wanted to know the above as the way he said it was very different from the way he had just been carrying on - it was like a change in his insane ravings and it didn't fit in with his other statements, so I asked him why did he want to know this.

He didn't answer me for awhile (he was sort of daydreaming) and then finally said he didn't know and didn't care and he didn't really want the answer to the question anyway, he just threw it out there and it wasn't really him asking the question anyway. He didn't ask the question, he didn't want to know, it was just during one of his moments of insanity. He said that this whole case and procedure is driving him insane.

I told him I was sorry I couldn't be of more help, but if in the future there was some way I could help him, he could give me a call, he had my phone number already, so I left the line open for the future. I recommended to him that he take a vacation to get away from it all and just let himself destimulate. He said he can't because he's got a trial coming up on the 22nd of March. We started walking back towards the cars and as I walked towards my car, he said "where are you going?", I said "I'm going to my car", he said "Well, uh..." (obviously stalling and wanting to still continue the conversation but not really knowing what to say), he then said "Well don't you want to talk to Jocelyn?" (his wife). I said if you want me to I will. He said "Well I think she might want to talk to you or I think it would be good if you talk to her." We went over to where his wife was standing.

As soon as we got there he switched again to a totally different valence and in a very 1.1 type comment he said "So did you get what you came here for? Are you satisfied? Did you get the data you wanted?" She caught on that something was strange and said "Are you finished talking or do you want me to leave while you continue your discussions?" He said "No, that's fine, we're done." Then he said to me again, "Well did you feel you accomplished much?" And I said, "Well, I'd have to ask you, because I came here to help you, so if you don't feel I was any help, then obviously not." That shut him up and he stopped attacking me. He asked his wife if she wanted to speak to me and she said "I have nothing to say", so I didn't speak with her. I just gave her a friendly smile and indicated we could talk if she wanted to. She didn't. We walked towards the cars and he asked me if my last name was still Gamboa and I said it was. And then we bid each other good-bye and drove away.

SUMMARY

To sum it up, he was pretty nutso and very hard to communicate with as he would be in the middle of a ranting and raving insanity and I'd find that I would have to constantly try and communicate through this. I'd get him to knock it off for a second so that I could actually communicate to him and this would actually work, but then within the next couple of minutes he'd be back into it again so it wouldn't last long.

I did at least establish a comm line with him and I think it is something that I can build on in the future if we want to. He is willing to meet with me and talk with me, however, he trusts no one. He lives in a world of total fear and paranoia of everything and everybody.

It is obvious to me and clear by his statements and actions that he definitely wants out of this suit and he definitely wants help. But he needs the money to pay off his attorneys and that's what he's after - he's hoping that the Church will give him an offer. He has no other way out in his eyes and no way does he want to drop out of this with a debt that will last him for the rest of his life.

He is very desperate for a way out and I feel he would be willing to talk to anybody who might have anything to suggest, only because he'd be hoping that they're going to offer him something that will actually help.

An important point for him was getting his pc folders back as he feels that that's the solution to his future sanity. He brought this up several times.

A line has been established with him and possibly this can be built up from here and used again in the future. He is

desperate and he has no way out at this point.

Terri Gamboa

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF MULTNOMAH

JULIE CHRISTOFFERSON TITCHBOURNE,)

Plaintiff,)

vs.)

No. A7704-05184

CHURCH OF SCIENTOLOGY, MISSION)

OF DAVIS, a non-profit California)

corporation, doing business in)

Oregon; CHURCH OF SCIENTOLOGY)

OF CALIFORNIA, a California)

corporation, doing business in)

Oregon; and L. RON HUBBARD,)

Defendants.)

EXCERPT OF PROCEEDINGS

Volume IX

Pages 4640 to 4835

Testimony of Gerald D. Armstrong

April 11, 1985

BILL ELLIS & ASSOCIATES
Court Reporters
1001 S.W. Fifth Ave.
Portland, Oregon

1 THE COURT: Well, I said yesterday afternoon
2 and I am going to watch this fairly closely the rest
3 of this day, we are not here to build a case for
4 whatever cases are going on around the country.
5 I'll address this to the gentlemen in the audience.
6 I'm trying the Christofferson case.

7 MR. COOLEY: Two days we gave him discovery
8 in the California case.

9 THE COURT: Well, I don't know where the
10 lawyers present are from or what cases and I don't
11 really care. That's their job. It's that we are
12 trying the issues in this case, as I see them, and
13 I'm going to try to limit it to that.

14 MR. COOLEY: Yes, sir.

15 THE COURT: We'll take a few minutes.

16 (Court recessed at 10:57 a.m. and
17 reconvened at 11:17 a.m.)

18 MR. COOLEY: Before we bring in the jury,
19 Your Honor, you remember, I told the Court I would
20 continue my examination. I told the Court I was
21 continuing to check on whether there were additional
22 tapes, and I am now informed there are tapes of
23 meetings with Mike Rinder on November 19 and
24 November 30, 1984. I have no intention of using
25 them, but I want to inform the Court that they do

1 exist.

2 MR. McMURRY: We would like them produced
3 forthwith.

4 MR. COOLEY: I object to that.

5 THE COURT: Well, I asked the other day for
6 all tapes, videotapes, and so forth, to be produced
7 regarding the Armstrong Operation.

8 MR. COOLEY: I understood the tapes were for
9 the Court, not counsel. I was not required to
10 produce, in the midst of my cross-examination, the
11 tapes of the --

12 THE COURT: Now, how did we find this
13 information?

14 MR. COOLEY: I have had Mr. Peterson check on
15 the situation with the lawyer in Toronto.

16 THE COURT: Mr. Peterson, where are the
17 tapes?

18 MR. PETERSON: They are in Toronto.

19 MR. COOLEY: I'll have them sent here.

20 THE COURT: Okay. Get them here.

21 MR. COOLEY: I'll be happy to present them to
22 the Court. But the point is, the other tapes did
23 not get turned over to Counsel until the Court
24 determined they were going into evidence.

25 THE COURT: And these are tapes of what?

1 MR.COOLEY: The Rinder meetings of November.

2 THE COURT: We are not going to have any
3 testimony about this meeting until I hear those
4 tapes.

5 MR. COOLEY: I don't understand that ruling
6 at all.

7 THE COURT: Well, just take it as a ruling.
8 I was told that there were nonexistent tapes. Now
9 we are getting --

10 MR. COOLEY: No, I didn't say that about the
11 Rinder meeting. I said there were no tapes --

12 THE COURT: No, wait a minute, Mr. Cooley.
13 Just a second. Let me talk now. I asked about
14 tapes regarding anything to do with the Armstrong
15 Operation.

16 MR. COOLEY: I told the Court I was still
17 checking the Toronto situation.

18 THE COURT: I'm not blaming you, Mr. Cooley.

19 MR. COOLEY: I had determined there was no
20 tape of the hotel meeting, there was no tape of the
21 lawyer's meeting; that I had not completed my
22 investigation of the existence of tapes, any other
23 tapes with respect to Toronto. And I have now
24 determined that there are tapes of the meeting with
25 Rinder on November 19 and 30, and I'm telling the

1 Court that. I'm not concealing anything.

2 MR. MCMURRY: May I be heard, Your Honor?

3 THE COURT: Absolutely.

4 MR. MCMURRY: This Court on Monday --

5 THE COURT: And don't get angry.

6 MR. MCMURRY: I'm not. I certainly wouldn't
7 want to do that.

8 This Court, on Friday and again on Monday,
9 ordered all writings, all reports, all wires, all
10 recordings of any kind from any source, including
11 the Toronto lawyer, Ingram, and anybody else, were
12 to be furnished to this Court by Monday morning.
13 And there was colloquy: "That's a big order, but
14 we'll do it."

15 Now here we are on Thursday and lo and
16 behold Peterson finds -- not Mr. Gutfeld, but
17 Peterson -- finds, yes, there's a Toronto tape.
18 Now, he didn't find it on Friday, Saturday, Sunday,
19 Monday, Tuesday, or Wednesday. He finds it on
20 Thursday. Now, I also suggest that the
21 cross-examination that pinpoints the 19th and 30th
22 of November must be in the form of some report, must
23 be in the form of some memorandum.

24 THE COURT: Is this the meetings of --

25 MR. MCMURRY: -- of good old Rinder meetings --

1 THE COURT: Okay.

2 MR. MCMURRY: -- which have been referred to
3 by Mr. Cooley as occurring on the 19th and 30th.
4 There must be some evidence, unless the Toronto
5 lawyer is in court and can shed some light on this
6 sudden information, as to date, time and place.
7 There must be some evidence that, low and behold,
8 Mr. Peterson might be able to enlighten us on. The
9 contents and the times are clearly within the
10 knowledge now of Mr. Cooley, and we can only suppose
11 that source of information is Mr. Peterson,
12 specially admitted as an officer of this court.

13 We would suggest, Your Honor, that the
14 cross-examination on this setup be terminated. It's
15 obvious that the Court's orders are not being
16 complied with until it suits the purpose of the
17 defendant, Church of Scientology of California, and
18 that obviously evidence is being used from this
19 setup to harass and intimidate this witness, and
20 it's an ongoing operation to this very day, to this
21 very last hour.

22 MR. COOLEY: Your Honor, you may recall in
23 Mr. Gutfeld's testimony he said, "That is not within
24 my ability," at which time I announced to the Court
25 --

1 THE COURT: I'm not blaming Mr. Gutfeld.

2 MR. COOLEY: Let me please finish. I stood
3 up and I said, "I'm handling that aspect. I am
4 continuing the investigation; I have not completed
5 it yet. I will report to the Court when I do."

6 I have now reported to the Court. There is
7 no concealment of any tapes here. Now, with respect
8 to --

9 THE COURT: Do you want to know what bothers
10 me?

11 MR. COOLEY: What, sir?

12 THE COURT: When I had Mr. Peterson stand up,
13 and I said, "Are there any more tapes or documents
14 or anything with reference" --

15 Don't shake your head at me, Mr. Peterson.
16 Just get up here because you and I are going to have
17 a little talk.

18 MR. PETERSON: Good.

19 THE COURT: And you said you didn't have any.

20 MR. PETERSON: That's correct.

21 THE COURT: You didn't tell me they were in
22 existence somewhere else.

23 MR. PETERSON: At that time, when I said it,
24 I did not know. We have been trying to track down
25 the tapes. We have been trying to track down, you

1 know, the Toronto attorney and his investigator.
2 The investigator has been out of the state on some
3 sort of investigation. When we get out of court
4 here, it's 5:00, 5:30 by the time we get back to the
5 apartment, and it's late at night in Toronto. We
6 have been unable to locate Mr. Ruby.

7 At the time I represented to the Court that I
8 had nothing, I had nothing. And I still don't have
9 tapes. And I have no documentation regarding the
10 Toronto tapes. As I had said, it was done by the
11 Toronto attorney and a private investigator, not me,
12 not the Church. Mr. Gutfeld was telling the truth
13 when he didn't even know of the existence of this
14 taping, because it was not done through the Church
15 and no one was told about it. That's why we don't
16 have it.

17 THE COURT: Mr. Cooley somehow has information
18 about it.

19 MR. COOLEY: I had information about the
20 meetings that took place and I have access to
21 Michael Rinder, Your Honor.

22 MR. PETERSON: Right.

23 MR. COOLEY: I assume the Court will give me
24 some credit for doing some attorney work product
25 here.

1 THE COURT: No question about that.

2 MR. PETERSON: I believe the Court ordered we
3 get the five boxes, and they are sitting over there.
4 We have always endeavored to comply with the Court's
5 orders.

6 THE COURT: I sometimes feel that I am being
7 used in this case, that I have been tolerant, I have
8 listened to representations by all Counsel, I have
9 accepted those. And then something comes along
10 different. It never is anyone's fault, and it's
11 never anyone's responsibility. But somebody has to
12 be responsible. Somebody has to be responsible for
13 seeing that when a Court orders something, it's
14 done.

15 MR. PETERSON: When we started preparing the
16 case, we had no idea of the scope of the testimony;
17 for example, Mr. Armstrong, or any other witnesses.
18 That's why we didn't have tapes down here, we didn't
19 have all the stuff here and available. Discovery
20 has been ongoing since the beginning of trial, as
21 evidenced by those boxes. Those are our entire
22 files for the cross-examination of this witness
23 sitting over there. I mean, it hasn't helped us,
24 these discovery orders, and we are doing our best to
25 comply with the orders. As Mr. Cooley said, we had

1 no plans of playing the tape. We had enough trouble
2 with this tape. Two more tapes would be -- it just
3 wasn't in the plans. That's why the stuff isn't
4 here, because we had no idea it would be needed.

5 MR. WADE: Your Honor, I share the Court's
6 concern and I realize Mr. McMurry and I are getting
7 a little indignant. I mean, Mr. Peterson stood here
8 the other day, and certainly maybe he didn't say,
9 "The tapes don't exist anywhere and I don't know
10 about them," but he certainly inferred there were no
11 tapes. None whatsoever. And that's all we have
12 heard is those tapes were not in existence.

13 Mr. Gutfeld testified from the stand: nobody
14 knows about those tapes. Mr. Armstrong testified
15 about it, about people saying the tapes didn't
16 exist. That's what they said; they said the tapes
17 didn't exist. I remember that statement: "They
18 don't exist." And now they do exist. Now they want
19 to cross-examine on the subject when they have
20 tapes.

21 The first thing, they can't cross-examine in
22 that area until we get the tapes. The Court ordered
23 the tapes be produced; they should be produced. And
24 it is incredible to say, as Mr. Peterson has just
25 said, "We didn't think we needed those. We didn't

1 think we needed to use those. You used the two
2 tapes. You saw the problems we had with the two
3 tapes. We didn't think we would need these other
4 tapes."

5 Somebody in the Church certainly knew those
6 tapes existed. And just because they didn't want to
7 use them or they didn't want the testimony from
8 those tapes, that's why they weren't here. That's
9 why they weren't produced. It just doesn't make any
10 sense. This cat-and-mouse game doesn't make any
11 sense at all. An attorney or witness stands up and
12 says things don't exist, the tapes don't exist, the
13 program orders don't exist, nothing exists, and then
14 later on we find out they do exist. And I don't
15 think it's anything less than misrepresentation.

16 MR. PETERSON: Your Honor, I stepped forward
17 at the last hearing. I wasn't on the stand. I
18 volunteered that Mr. Wade or Mr. McMurry or the
19 Court could ask me any questions regarding any
20 documents or any tapes or anything. These two
21 gentlemen had no questions, and I said, "Your Honor,
22 I personally have no documents." They were talking
23 about documents at the time. I had no knowledge
24 regarding those tapes until Mr. Cooley asked me,
25 because he couldn't get in touch with the Toronto

1 lawyer, if I would help him get in touch with the
2 Toronto lawyer because he was in trial all day. And
3 there's been --

4 MR. COOLEY: Nonexistence, Your Honor. You
5 may recall you asked me about whether there were
6 tapes of the hotel meeting. I said there were no
7 tapes that I knew about.

8 THE COURT: I tried to be as thorough in
9 asking that question as I possibly could, because I
10 don't know of all the meetings. That's why I made
11 it as broad as I did.

12 MR. COOLEY: I specifically told the Court
13 that I was still investigating the Toronto aspect of
14 it to see whether there were any further
15 conversations, tapes. I had satisfied myself that
16 nowhere was there a tape of the meeting in the hotel
17 room or a meeting in the lawyer's office. I then
18 said that I knew that Mr. Rinder had met on two
19 occasions with the witness.

20 As a matter of fact, the first time I had met
21 Rinder in any detail was when the witness spoke
22 about it. I wasn't familiar with the fact that they
23 also had met at Griffith Park. I learned that; I
24 spoke with Rinder; I had Mr. Peterson chase it down,
25 and I now know there are two tapes. I don't intend

1 to play them. Although from what I understand from
2 Mr. Rinder, there is plenty of good stuff on there
3 for me. The reason I don't want to play it is that
4 it has taken us a week to deal with the first two
5 tapes, and that is enough time. Now I will present
6 them to the Court and let the Court view them, and I
7 will --

8 The COURT: Are these videotapes again?

9 MR. COOLEY: Yes.

10 THE COURT: Done under the same circumstances
11 as the last?

12 MR. COOLEY: As I understand, under the same
13 circumstances and the same investigator.

14 MR. WADE: Your Honor, it's very strange to
15 me that Mr. Cooley is able to obtain information
16 that he says will show there are no tapes for the
17 meeting in the hotel.

18 Now, if this was the lawyer in Toronto, why
19 didn't he find out during that same conversation of
20 the other tapes?

21 MR. COOLEY: The reason: I did not talk to
22 the lawyer in Toronto. The thing was dealt with
23 piecemeal. When the Court asked me -- not the
24 Court, but when I was asked by Mr. Armstrong, he
25 said, "Well, you undoubtedly" -- or he said to the

1 jury, "You undoubtedly have tapes. I went to the
2 hotel room, I went to the lawyer, and you
3 undoubtedly have tapes."

4 Well, I didn't know at that time I had tapes.

5 THE COURT: Your argument even going into
6 this cross-examination regarding these meetings was
7 you, just got through telling me, on the basis of
8 bias. Now we are back to the original point we were
9 with the other tapes.

10 MR. COOLEY: That was bias.

11 THE COURT: And I said at that time they have
12 got to be coughed up so they can be at least heard
13 by me first and then by Counsel to see whether or
14 not, number one, they are, they do show bias; and
15 secondly, whether they were in their proper context.

16 MR. COOLEY: That came in the context of me
17 offering the tapes. I'm not offering them now.

18 THE COURT: But they are here and we know
19 they exist. And I see no reason why Counsel on the
20 other side shouldn't know what's on those tapes.

21 MR. COOLEY: That's the first time the Court
22 has made that ruling.

23 THE COURT: Because I think in this context I
24 have been misled.

25 MR. COOLEY: I am very sorry, Your Honor,

1 because I did not deliberately mislead the Court.
2 I'm sorry I pursued the matter, frankly.

3 THE COURT: Did you hear me say
4 "deliberately"? I didn't say deliberately, Mr.
5 Cooley. I didn't say deliberately. If I would have
6 said deliberately, I also would have been calling
7 for a sheriff.

8 MR. COOLEY: Well, then, I don't know how I
9 misled the Court.

10 THE COURT: Because you and Mr. Peterson have
11 said, "That it," at least led me to believe there
12 are no -- I asked, "Are there any more audio tapes?"
13 I remember my conversation. "Are there any other
14 video tapes? Are there any audio tapes of this
15 Armstrong Project that we are dealing with here?"
16 And I was led to believe by all the answers that
17 there were none.

18 MR. COOLEY: I think if Your Honor reviews
19 the transcript, you will see that is not the way it
20 happened. I specifically left open the Toronto
21 situation on anything dealing with --

22 THE COURT: When can they get here?

23 MR. COOLEY: When I go back for lunch, I'll
24 check on their location. I understand I could have
25 them here no later than tomorrow morning.

1 MR. McMURRY: Mr. Peterson is apparently the
2 person that made the contact with Mr. Ruby in
3 Toronto; certainly he should be able to give us the
4 answer to that question, whether they are here or in
5 Portland.

6 MR. PETERSON: Your Honor, it is just a
7 matter of flight schedules. They can be put on a
8 plane. I'm confident there are enough flights
9 coming into Portland that they can be here by
10 tomorrow. If not 9:30, by at least noon.

11 THE COURT: Well, they are going to have to
12 get here.

13 MR. COOLEY: They will get here, Your Honor,
14 and I will give them to the Court tomorrow.

15 THE COURT: They are going to be here
16 immediately as soon as you can get them on the
17 airplane and get them down here.

18 MR. COOLEY: We will deal with that when Mr.
19 Peterson and I go back for lunch.

20 MR. McMURRY: The Court also ordered every
21 other writing. The Court said, "This is
22 inconceivable to me that there isn't a paper trail."

23 THE COURT: That's what I said.

24 MR. McMURRY: Precisely. And the only thing
25 that was excepted from your order was the writings,

1 the handwritings of Gerald Armstrong. Now, --

2 THE COURT: That was my order, Mr. McMurry.

3 MR. COOLEY: This is what I have been dealing
4 with for two days.

5 MR. McMURRY: I submit that just from the
6 beginning of this second attack through the Rinder
7 meeting, and the specific language that is being
8 used, that there is writings, and that they do
9 exist, and that they are here in Portland and that
10 they should be produced.

11 MR. COOLEY: That is not so. My information
12 has come directly from Rinder and there are not
13 writings to be produced and I'm not going to give
14 him my work product under any circumstances.

15 THE COURT: Do I have to go through the
16 litany again of what should be produced? I thought
17 everybody by now should certainly understand it.

18 MR. COOLEY: There is no problem, Your Honor.
19 These tapes, as I understand it, the last of the
20 material to be produced.

21 THE COURT: I meant writings, documents,
22 notes.

23 MR. COOLEY: I understand that.

24 THE COURT: Chalkboard material. Anything.

25 MR. COOLEY: I can tell you at this time I'm

1 not going to have transcripts made of those tapes.
2 I'm deliberately going to avoid that. There would
3 be no documents.

4 THE COURT: Anything at all regarding the
5 Armstrong Project, as it's been called here, has got
6 to be coughed up.

7 MR. COOLEY: Everything is on that table or
8 on the way from Toronto, I understand it, and that's
9 it.

10 MR. PETERSON: Is that supposed to be stuff
11 that dealt with the Armstrong taping incidents?
12 None of that stuff has anything to do with --

13 THE COURT: No. I understand Mr. Gutfeld
14 saying that doesn't have anything to do with the
15 taping incident. Three boxes are claimed
16 attorney/client privilege, two boxes may be
17 discoverable matters or may or may not be. I
18 haven't the looked at them.

19 Now, --

20 MR. McMURRY: Would you please put the
21 question to Mr. Peterson item by item, writings,
22 handwritings, notes, reports, debriefing, project
23 orders. Just item by item to Mr. Peterson, please.

24 THE COURT: Would you give me a -- I don't
25 know that terminology you are talking about.

1 MR. PETERSON: I don't either.

2 MR. McMURRY: I hand the Court what I just
3 dashed off. I hope it will be clear enough for Mr.
4 Peterson.

5 THE COURT: Okay. Mr. Peterson. We are
6 referring now to all documents, writings,
7 memorandums, briefings, debriefings, evaluations,
8 program orders, reports, all tape recordings, or
9 electronic recordings, mechanical recordings, wire
10 taps. Well, the third one I'm a little bit bothered
11 by Mr. McMurry. I think that's not a matter for
12 this Court. I think it is a matter for a court.

13 MR. McMURRY: What other Court can make
14 inquiry at this stage, Your Honor?

15 THE COURT: I think a California court is
16 going to have to make an inquiry on this because I
17 have no way of determining the authentication of
18 police documents. We are back to that illegally
19 seized evidence problem again.

20 MR. McMURRY: As the Court remembers, the
21 Ingram exhibit, which is 876, had a date between
22 November 7 and 14. The Rinder meetings, as we
23 understand it now, occurred on the 19 and 30, if my
24 notes are correct. So there must have been yet
25 another authorization from Mr. Rodriguez or someone

1 like him.

2 THE COURT: Because I didn't put much
3 credence in that, if you remember correctly.

4 MR. McMURRY: That's correct, Your Honor.
5 But if there is the tape, as they now admit, the
6 videotape, then --

7 THE COURT: Then Mr. Cooley would argue they
8 had authority.

9 MR. McMURRY: That's right. And --

10 THE COURT: Okay. Give me --

11 MR. PETERSON: If the Court didn't put any
12 credence in it, whether the --

13 THE COURT: Mr. Peterson, did I ask for
14 argument?

15 MR. PETERSON: Well, usually the procedure
16 has been each side got to answer a question.

17 THE COURT: I didn't ask you a question. I'm
18 only telling you what to come up with.

19 MR. PETERSON: What to look for.

20 THE COURT: And come up with.

21 MR. PETERSON: If it exists.

22 Your Honor, I have not seen any of this stuff
23 and I don't want the Court to take the opinion that
24 because Mr. McMurry writes it down, that it exists
25 somewhere.

1 THE COURT: I now know there our videotapes,
2 I just found out a few moments ago of another
3 meeting in Griffith park. Now, if there is such a
4 meeting and if it was videotaped, in order for it to
5 have any smattering of legality, there had to be
6 some authorization by some governmental agency to
7 issue it, as I read the California Penal Code and
8 Mr. Cooley explained it to me.

9 MR. PETERSON: That's part of it. There are
10 two grounds that you can have a legally recorded
11 conversation in California. One is police
12 authorization, and there is another exception, too.
13 But again, -- there probably is a letter in
14 existence.

15 THE COURT: All right.

16 MR. PETERSON: We have one, I'm sure there
17 were two obtained. I don't know.

18 THE COURT: Let's have that.

19 MR. PETERSON: I will make inquiry.

20 THE COURT: Now, here you say -- and I'm sure
21 what you are referring to, Mr. McMurry, orders,
22 Executive Directives, and amended orders or
23 directives. What are we referring to? I want to
24 make this very specific so there is no further
25 misunderstanding as to discovery matters.

1 MR. McMURRY: Yes, Your Honor. I make it
2 generic because I don't know what org it might be
3 issued from. So I don't refer to just RPF, RRF,
4 ASI, Sea Org, OSA, all of these little acronyms for
5 their various intelligence operations. I want all
6 orders, all program orders, directing the
7 undertaking of anything.

8 THE COURT: Relating to Mr. Armstrong?

9 MR. PETERSON: That's a little broad.

10 MR. McMURRY: Relating to Mr. Armstrong and
11 it goes on. It goes on.

12 THE COURT: Relating to Mr. Armstrong, his
13 wife Joycelyn.

14 MR. McMURRY: Correct.

15 THE COURT: Mike Flynn.

16 MR. McMURRY: You recall in Exhibit 876, the
17 Rodreguez also included Mike Flynn and others. I
18 want to have all orders, all programs, all reports,
19 whether they relate to Michael Flynn, Joycelyn, A
20 Armstrong, myself, plaintiff, anybody involved in
21 this litigation as a witness or as a party or as a
22 lawyer.

23 MR. COOLEY: I object to anything going
24 beyond Armstrong and his wife. I have no problem
25 with Armstrong and his wife. We are not going to

1 get involved in a wide sweeping discovery rematch
2 now involving Michael Flynn.

3 THE COURT: Wait a minute. Mr. Cooley, as I
4 understood the thrust of a lof of your questions of
5 Mr. Armstrong, they dealt with Mike Flynn.

6 MR. COOLEY: That's right. Your Honor, if we
7 get into a discovery match now on the issue of
8 Michael Flynn, this case is never going to get
9 started again. It's one thing to have it with
10 respect to the witness, it's quite another with
11 respect to Michael Flynn.

12 THE COURT: I can settle that. Then we don't
13 ask any questions about Michael Flynn.

14 MR. COOLEY: I cannot believe what is
15 happening here. I cannot believe it.

16 THE COURT: You want it all on your side.

17 MR. COOLEY: That isn't so at all, Your
18 Honor. That is simply not so. I have never been
19 confronted with more stringent restrictions placed
20 on cross-examination.

21 THE COURT: And I have never been confronted
22 with evidence turning up on a daily basis that has
23 been ordered by the Court on many occasions.

24 MR. COOLEY: Well, I am prepared to rest on
25 the record as it stands and I have daily copy.

1 THE COURT: You are not the only one that
2 that has daily copy, Mr. Cooley.

3 MR. COOLEY: I will show you the daily copy.
4 Your Honor is really accusing me of something that
5 is really unjust.

6 THE COURT: I told you when start accusing
7 you, Mr. Cooley, that I will have a sheriff down
8 here to accompany --

9 MR. COOLEY: That will be fine. Then I would
10 defend myself in an appropriate form. I have been
11 threatened in this case with all manner of things.
12 I have had restrictions placed on cross-examination,
13 Mr. McMurry is allowed to attack opposing Counsel at
14 will. The Court allows these witnesses who are
15 attacking the Church to absolutely say anything they
16 want on the witness stand. And then discovery gets
17 conducted in the middle of my cross-examination, and
18 now Mr. McMurry has the nerve to ask, in the middle
19 of this cross-examination, that everything in the
20 Church's files with respect to Michael Flynn be
21 produced, and the Court says if I don't do it, I'm
22 not going to be allowed to ask questions on it.
23 That, Your Honor, is absolutely improper in my
24 opinion, requesting things like that.

25 THE COURT: One more time you raise your

1 voice to me, Mr. Cooley -- Let this record indicate
2 right now, this is the second warning I have given
3 Mr. Cooley in two days regarding his attitude toward
4 this Court. I am now prepared to take under
5 advisement a matter of sanctions against Mr. Cooley.

6 MR. COOLEY: I object to the attitude that
7 the Court manifests toward me. I think it's unfair,
8 I think it manifests bias, and I think it manifests
9 prejudice.

10 THE COURT: Fine. You may think whatever you
11 will. I'm stating that for the record right now,
12 Mr. Cooley. You'd better -- number one, you take
13 things the Court says out of context, you twist
14 them around and state them in a manner which is not
15 what the Court says. Nobody has yet ordered Michael
16 Flynn documents to be produced. Nobody has ordered
17 you to do anything, yet. Instead of that, you
18 conduct this harangue against the Court, which is
19 highly inappropriate, which is not done by any
20 lawyer that I'm aware of in the state of Oregon nor
21 do I know any Court which will accept it.

22 Now, I don't understand the breath of Mike
23 Flynn or Mr. McMurry documents.

24 MR. McMURRY: Yes, Your Honor. If the Court
25 would look at Exhibit 876, a so-called authorization

1 issued by Philip Rodriguez unto Mr. Eugene Ingram,
2 the Court will note that the authorization allowing
3 illegal wire taping and eavesdropping included --

4 THE COURT: Incidentally, I might say
5 something else. And I don't -- I don't know whether
6 it's going on or not, but everybody should be aware
7 that there is to be no recording done in the
8 courtroom with the exception of Court recordings. I
9 failed to make that announcement earlier and I hope
10 everybody understands that.

11 I don't know whether it is, I'm just making
12 announcement that says under our court rules, it is
13 not done. Okay.

14 MR. McMURRY: The Court will note on Exhibit
15 876 that the so-called authorization included the
16 wiretapping or eavesdropping of Mr. Gerald Armstrong
17 and attorney Michael J. Flynn and others for
18 possible violation or attempts to violate certain
19 laws and any other law. Now, I think with the
20 revelations that keep coming out, that we should
21 determine -- Mr. Flynn's name has been utilized time
22 and again by defense counsel as if -- and he has
23 stated in open court, a criminal conspiracy exists
24 somehow, and I have challenged him to exculpate that
25 off the record as to whether he would include myself

1 or my law firm. I want to know what additional
2 wiretapping, eavesdropping or recording occurred
3 with Michael Flynn, and I would like to know what
4 recording has occurred, if any, with me. And I
5 would like it put to Mr. Peterson, who professes to
6 be Counsel for the Church of Scientology, who
7 apparently has more access to documents than Mr.
8 Gutfeld or Mr. Cooley. I would like those questions
9 put.

10 THE COURT: The proposition as to Michael
11 Flynn I could almost answer myself. The problem
12 with that is, they could be so voluminous as far as
13 orders and directives and so forth that -- and I'm
14 only guessing --

15 MR. McMURRY: I'm speaking of the wiretaps,
16 Your Honor, and transcripts.

17 THE COURT: Strictly wire taps?

18 MR. McMURRY: That's right. Because that's
19 how his name comes up in the context of Exhibit 876.

20 THE COURT: Mr. Peterson, do you understand
21 his question?

22 MR. PETERSON: Yes. Is this started? I
23 thought we were talking with reference to the
24 Rodriguez letter and the Toronto -- you know, taping
25 project, whatever it was, of Mr. Armstrong. That's

1 the context that I viewing this in.

2 THE COURT: Yes, that's where we are. That's
3 where we started. We started with that. He points
4 out that this authorization, by officer Rodriguez,
5 which I have noted before is not even on official
6 stationary, says that this authorization shall
7 specifically pertain to the investigation of Gerry
8 Armstrong, Michael J. Flynn and others not known at
9 this time.

10 And I guess your question, Mr. McMurry, is
11 you want to know what else came within the purview
12 of this alleged authorization.

13 MR. McMURRY: Precisely. Now, that's on
14 point three, the on that I referred to. With
15 respect to Armstrong and his wife, we want every
16 report.

17 THE COURT: Mr. Peterson understands that.

18 MR. McMURRY: With respect to the
19 eavesdropping and transcripts of any form, I don't
20 care whether it's mechanical, electronic, video,
21 wire, whatever method this guy Ingram uses, we want
22 it.

23 MR. PETERSON: On who?

24 MR. McMURRY: On me, on Mr. Wade, on Julie
25 Christofferson Titchbourne, on Mike Flynn, and on

1 Gerry Armstrong and his wife Joscelyn.

2 THE COURT: Mr. Peterson, can you shed any
3 information for me on this?

4 MR. PETERSON: You mean whether they exist?
5 Well, like I have -- on several occasions stated,
6 this so-called Armstrong project was not commenced
7 the by the Church, but --

8 THE COURT: I understand by Toronto.

9 MR. PETERSON: -- and a private investigator,
10 Mr. Ingram.

11 THE COURT: I understand.

12 MR. PETERSON: I will make inquiries to see
13 if any of these things exist as to the people Mr.
14 McMurry has enumerated or listed out for me.
15 Frankly, I don't think so, but I will make the
16 proper --

17 THE COURT: Will you report back to me on
18 that as quickly as possible.

19 MR. PETERSON: I can check on that when we
20 make the arrangements to get the two tapT: That
21 would be satisfactory. And give me the information.
22 I'm not ruling on any of that. I have only ruled so
23 far on Armstrong and his wife, Joscelyn. Do you
24 understand that?

25 MR. PETERSON: Oh, yeah.

1 THE COURT: That, you understand?

2 MR. PETERSON: Clearly.

3 THE COURT: I'm withholding Flynn, McMurry,
4 and et al, yet until you give me some information.

5 MR. PETERSON: That's fine.

6 THE COURT: Do you understand that? I hate
7 to keep saying, "Do you understand that," with every
8 every question, but I think I'm getting into that
9 area where I've get to on the record "do you
10 understand what I'm saying."

11 MR. PETERSON: And I want the Court and
12 everyone that I understand and I'm going to do my
13 best to comply, as I have always done.

14 Now the other stuff, Your Honor, I think we
15 have complied with all that in the previous
16 discovery and this ongoing discovery. As I listen
17 to the things, I would like a copy of that list that
18 -- you know, I think we have complied, but again --

19 THE COURT: You mean Mr. McMurry's list?

20 MR. PETERSON: All these EDs and aprogram
21 orders and all that other stuff. And that I'm not
22 so sure I understand. Maybe if I could --

23 THE COURT: Well, let's get an understanding
24 before we recess.

25 MR. PETERSON: His last paragraph relating to

1 Gerry Armstrong, that's fine, his wife, Joscelyn,
2 although her name hasn't been mentioned in this
3 case, I don't think. But Mike Flynn, all these
4 other people, all these policies and orders? It
5 would be probably another hundred thousand --

6 THE COURT: No, no, no. I think I can
7 clarify that. I thought you understood that. That
8 only refers to this authorization for video taping
9 and taping. Those other items do not refer to all
10 those people.

11 MR. PETERSON: Executive directives, amended
12 orders, directives --

13 THE COURT: Those are for Mr. Armstrong.

14 MR. PETERSON: I see.

15 THE COURT: Now, do you understand?

16 MR. PETERSON: Now, it appears to be clear.

17 THE COURT: Okay. We will recess for lunch
18 until 1:30.

19 Mr. Runstein, I think I have to talk to you.

20 (Court recessed at 11:58 a.m., and
21 reconvened at 1:33 p.m.)

22 THE COURT: Good afternoon.

23 MR. COOLEY: Good afternoon, Your Honor.

24 THE COURT: Mr. Peterson was going to give me
25 a quick rundown, I think.

1 MR. COOLEY: I know Mr. Peterson made the
2 call and the man was in court. The secretary said
3 he had left for court.

4 THE COURT: Maybe he is still working on that
5 problem.

6 Now, before we hear from Mr. Peterson -- and
7 I'm hesitant about the cross-examination regarding
8 the park incident -- do you have another area you
9 can proceed to until Mr. Peterson reports back?

10 MR. COOLEY: Yes, I can.

11 THE COURT: Very good.

12 Mr. Armstrong, would you come up to the
13 stand, please.

14 (Witness resumed the witness stand.)

15 THE COURT: I have taken under consideration
16 those matters I have discussed this morning. I'm
17 not going to take any sanctions against Mr. Cooley.

18 Mr. Cooley, are you paying attention?

19 At this time I'm not taking any sanctions
20 against Mr. Cooley. Mr. Cooley's actions were not
21 deliberate, I am convinced. And whatever comments
22 he made toward the Court, I feel, were in the heat
23 of his representation of his client.

24 MR. COOLEY: It's a long, tough case, Your
25 Honor.

1 THE COURT: Do I take that to mean you agree?

2 MR. COOLEY: Yes, Your Honor.

3 THE COURT: All right. Let's get the jury.

4 Wait. Here's Mr. Peterson.

5 THE COURT: Mr. Peterson, any news for me?

6 MR. PETERSON: I put a call in to Toronto.

7 The attorney was not in his office. He was expected
8 back at the end of the day. And I said I would call
9 back, and left my name and number. But I'm still
10 confident that I can get in touch with him either
11 later this afternoon or this evening and the tapes
12 will be here. I don't foresee a problem.

13 THE COURT: Okay. And you are working on the
14 other aspects?

15 MR. PETERSON: As soon as I can get through
16 to him, I can ask about the other items.

17 THE COURT: Including all the questions we
18 had. Some were relative to Mr. Armstrong; some were
19 relative to other videotapes which may or may not be
20 in existence.

21 MR. PETERSON: Right.

22 THE COURT: Communication, okay? We
23 understand each other?

24 MR. PETERSON: We understand each other.

25 THE COURT: Okay.

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I, JOHN G. PETERSON, hereby state under the pains and penalties perjury that I have personal knowledge of the following:

1. I am an attorney licensed to practice law in the State of California. I am counsel specially admitted in Oregon for the Church of Scientology of California in the case of Julie Christofferson-Titchbourne v. Church of Scientology of California, et al., Circuit Court of the County of Multnomah, case #A7704-05184.

2. I am an attorney for the Church of Scientology of California. I have been present during testimony of Gerald Armstrong in the case of Julie Christofferson-Titchbourne v. Church of Scientology, et al. in the Circuit Court of the State of Oregon, County of Multnomah ("Christofferson").

3. Gerald Armstrong has been a witness for the plaintiff in the Christofferson case. He testified on direct examination for two days and on cross examination for over five days. I am familiar with his testimony.

4. During the course of Mr. Armstrong's testimony, a video tape of Mr. Armstrong surreptitiously conspiring with a Church of Scientology staff member whom Armstrong believed to be an opponent of current Church of Scientology management was introduced into evidence and played to the jury. Also several documents in Armstrong's own handwriting were introduced into evidence. The excerpts below are selected from the transcripts

111

1 of the tapes; portions have been underlined to direct the
2 Court's attention to the most relevant statements.

3 . 5. In his videotaped conversations, Gerry Armstrong
4 clearly showed that he was being used by the Criminal
5 Investigation Division of the IRS to gather information. This
6 conspiracy came to light through the actions of an attorney and
7 private investigator working in a police-sanctioned
8 investigation to expose the conspirators. They video-taped with
9 sound recording meetings between Armstrong and a Church of
10 Scientology staff member posing as a disaffected member of a
11 cell known as the "Loyalists" working within the Church to
12 covertly take over current management. Armstrong made contact
13 with a "Loyalist" named "Joey" and explained to the conspirators
14 plans for covertly and illegal attacking the Church of
15 Scientology and L. Ron Hubbard. Joey and the Loyalists were
16 created only after the Church learned of Armstrong and Flynn's
17 desire to get an inside source within the Church.

18 The video tape evidence and cross examination testimony
19 shows clearly that Armstrong was working closely in these
20 activities not only with Michael Flynn but also with AUSA
21 Brackett Denniston and the FBI and IRS. Indeed he claimed that
22 he was a "federal witness" and had been offered access to a
23 "safehouse" by the government.

24 6. The following excerpts from the videotape establish
25 Gerry Armstrong's close working ties with the IRS and intimate
26 working relationship with the government.

27 ///

28 ///

1 GA Ok. Well, the agencies have asked for some specific
2 things, that's all they've asked for. Now.
3 J Let me take notes, what have they asked for?
4 GA Well they asked for specifically now some of the
5 things you've already asked for and I've already
6 passed on. The names that they mentioned Marlowe,
7 Reynolds, Doug Hay... we talked
8 J Now who wanted this
9 GA CID
10 J Got it
11 GA Now, do you want a number in CID?
12 J Yeah
13 GA Your people should call, any problems, just call this
14 guy.
15 J He knows about the Loyalists, what we're doing, stuff
16 like that?
17 GA Yeah, basically yeah.
18 J What exactly have you told him and what did he say?
19 GA I've told him, well, he feels that, he keeps saying
20 "When are these guys going to talk to me, I'll meet
21 under any circumstances."
22 J Wow.
23 GA He wants to talk. You know, wait a, let me get, "Al
24 Lipkin, 213-688-4260" At night...
25 GA At night 688-4151. I believe that's
26 J Great. Great. So, what agencies know about us and
27 what do they want, and...
28 GA Justice department, FBA...

1 J You talk to these guys?
2 GA Yeah, I do. Yeah.
3 J Like who in Justice, is there a number I can call
4 there?
5 GA Uh, Richard Greenberg, I gave you that one, I think.
6 He's the guy you should call, I'll give you that
7 number. He's in DC. Did the LA FBI case get
8 dismissed?
9 GA Okay, Uh, (202-633-3368) I gave you one for Tom
10 Doughty, FBI in DC
11 J What's his name again?
12 GA Tom. Thomas D. Doughty, 202-324-4532. I gave you
13 CID. There's another guy in CID.
14 J Yeah, Al Lipkins
15 GA Al Ristuccia
16 J Is this Al too?
17 GA Albert, yeah, and apparently (688-42611. It may be
18 the same as the other one I gave you, I'm not sure, Al
19 Lipkins? No the other one is 60, okay.
20 J This is CID?
21 GA Yeah, I believe that's how he can be reached. I'm
22 taking a fuch of a chance doing this (laughs) So are
23 you. But there is a lot of
24 J What does he need from me, what does he want, or is it
25 just back-up, for what I need.
26 GA Well it ties in he would like to get everyone to talk
27 so that they can move? But, but at the same time, I
28 always say to him, "Listen, you're putting us in an

1 uncomfortable situation. If you're telling me you
2 haven't got enough to move right now, and I'm giving
3 you the testimoney, then I'm a marked man if you guys
4 back off the investigation. He said, the reason I do
5 that is not because I'm particularly paranoid but
6 because I'm searching for what's going on in their
7 skull. He assured me the investigation's going
8 forward. "we've got enough, that's the way the
9 government works."

10
11 7. The following excerpts show how the government has
12 sent Gerry Armstrong to solicit church members to give
13 information and to obtain confidential records:
14

15 GA Yeah, you do, and I think people should talk to Lipkin
16 and I think we should make it as soon as possible to
17 do it, and I also think that...

18 GA They'd like to talk to whoever knows about...I'll tell
19 you who wants to talk to you is CID. CID are the
20 guys. That's the mostly likely, absolutely the most
21 likely place in which the whole thing will happen.

22 GA They want to talk to you people. They want..uh, uh,
23 yeah, there's two things. Number one, you guys
24 should, I think, make plans at least, in the event
25 that the whole thing is blown, someone breaks or
26 whatever, exactly how to handle it, because you know,
27 you can simply, no one needs to be held, don't go for
28 it, just walk out the door. And I don't know if

1 they'd be stupid enough to try to fuck you over by
2 holding you. Maybe, but I doubt it.

3 GA Well, you know what would make sense, it would make
4 sense in my opinion to make the contact through me, so
5 that he knows that you are part of the people that
6 I've talked about. That makes sense. That would save
7 you any problem in terms of identification because
8 they are leary of entrapment.

9
10 8. The following excerpts underscore Gerald Armstrong's
11 close working relationship with the government as he discusses
12 the situation involving Judge Petris' mistaken order which
13 created a "windown of vulnerability:

14
15 M I understand, I mean, you're obviously a good witness,
16 I mean

17 G I'm a witness and I have, and I have documents,
18 documents, but they've never talked to me about the
19 documents under seal other than I gave the, I talked
20 to them about this, do you know what a window of
21 vulnerability is?

22 M Yeah.

23 G Well, in law, there's a certain thing, which is kind
24 of like a window of the law, and there's a particular,
25 like a window of vulnerability, is at a given time,
26 it's like something opens up you know, like a window
27 in space and you're vulnerable at that time and so it
28 just happened that this judge, remember Judge Petris

1 who let the goddamn documents out, by the way I just
2 heard on the news that he, that he retired today.

3 . M He retired?

4 G Isn't that funny? He released all these other docs to
5 CID, and then copied them all, during the releasing
6 time, and then they all sealed up again, and the CID
7 made off with all these documents...Just hilarious,
8 because ultimately, you know, you can't stop the truth
9 from coming out.

10 M No one's going to, there's no liability to that?

11 G No, I don't see it, I know you guys are concerned, but
12 I, I don't see it at all, no liabilities and
13 everything that happened every time the organization
14 makes, goes to another court, that thing, alone, you
15 guys could win it on Armstrong alone.

16
17 9. Mr. Armstrong's testimony and the evidence presented
18 in documents and on the video tape indicate that members of
19 various government agencies such as the FBI, IRS and individual
20 officials including Boston Assistant United States Attorney
21 Brackett Denniston and Boston Attorney Flynn to be directing and
22 supervising the "running" of Gerald Armstrong as a covert
23 intelligence operative in order to:

24
25 A) steal documents from the Church to serve as models for
26 forgeries,

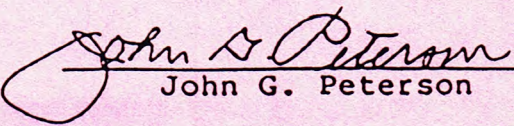
27 B) plot the forgery of false incriminating evidence in
28 Church files,

- 1 C) orchestrate a coup in which agents of Flynn, Armstrong
2 and the U.S. government would wrest control of the
3 Church of Scientology from its lawful management,
4 D) steal attorney-client privileged communications
5 consisting of legal strategies,
6 E) implement a bizarre plot to entrap and destroy a
7 senior Scientologist by means of sexual seduction and
8 blackmail, and
9 F) conspire to suborn perjury in order to keep this
10 massive sordid criminal conspiracy under cover.
11

12 The extremes of illegality to which Armstrong was prepared
13 to go in order to carry out this conspiracy is demonstrated by a
14 blackmail and extortion scheme called "Long Prong" which
15 Armstrong attempted to perpetrate. This was a plan to set up a
16 senior executive of Author Services Incorporated with a woman in
17 order to upset his marriage, degrade his status in the
18 organization and blackmail his cooperation or force his removal.

19 I declare under penalty of perjury that the above is true
20 and correct.
21
22
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Dated: April 17, 1985


John G. Peterson

wants this all packaged up
and sent to Arizona
immediately. So that
will handle most of
the next day or so.

Also see page 8
of the AT affidavit.
I just wanted to
add to the data
sent the other day my
thought on this section
or when it goes public
its going to be too
easy to see what

happened and only so many
people will now oblige
this. This could be a
problem for ~~the~~. We
don't necessary (sic) want
this just because of
a stupid PR-oriented
idea. I think we'd
better chop out or
black out all or
part of this to avoid
obvious consequences.

I have already

sent, as I said,
what I observed
about the rest of the
aff. the other day
and I posted again
to press this as it
can't be (sic) said
too much.

this is all on
this cycle now.

this is ok.

Much love

A.R.

BEFORE THE LOS ANGELES POLICE DEPARTMENT

BOARD OF RIGHTS

CAPTAIN J. J. DOCHERTY, CHAIRMAN

ORIGINAL

IN THE MATTER OF:)

LOS ANGELES POLICE DEPARTMENT)
BOARD OF RIGHTS HEARING)

NO. B.F. 6495
VOLUME I

(IN RE: PHILIP A. RODRIGUEZ, #16924))
_____)

TRANSCRIPT OF PROCEEDINGS

LOS ANGELES, CALIFORNIA

FRIDAY, OCTOBER 4, 1985

REPORTED BY:

MELONI D. BROWN
CSR #5414

JOB NO.:
IAD3035

KENNEDY COURT REPORTERS, INC.

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BEFORE THE LOS ANGELES POLICE DEPARTMENT

BOARD OF RIGHTS

CAPTAIN J. J. DOCHERTY, CHAIRMAN

IN THE MATTER OF:

LOS ANGELES POLICE DEPARTMENT
BOARD OF RIGHTS

(IN RE: PHILIP A. RODRIGUEZ, #16924)

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)

NO. B.F. 6495
VOLUME I

TRANSCRIPT OF PROCEEDINGS, TAKEN AT PARKER
CENTER, 150 NORTH LOS ANGELES STREET, POLICE
COMMISSION AUDITORIUM, LOS ANGELES, CALIFORNIA,
COMMENCING AT 0940 HOURS, ON FRIDAY, OCTOBER 4, 1985,
REPORTED BY MELONI D. BROWN, CSR NO. 5414, A NOTARY
PUBLIC IN AND FOR THE STATE OF CALIFORNIA AND THE
COUNTY OF ORANGE.

APPEARANCES:

FOR THE DEPARTMENT:

SGT. LEE CARTER
DEPARTMENT ADVOCATE
LOS ANGELES POLICE DEPARTMENT
INTERNAL AFFAIRS
150 N. LOS ANGELES STREET
LOS ANGELES, CA 90012

FOR THE DEFENSE:

GERSON S. HORN
ATTORNEY AT LAW
9665 WILSHIRE BOULEVARD
SUITE 450
BEVERLY HILLS, CA 90212
AND
SGT. A. HERNANDEZ
DEFENSE REPRESENTATIVE
LOS ANGELES POLICE PROTECTIVE
LEAGUE

ALSO PRESENT:

OFFICER PHILIP RODRIGUEZ
SGT. ENRIQUE HERNANDEZ

1 CAPTAIN DOCHERTY: LET THE RECORD REFLECT THAT IN
2 DEFERENCE TO THE NEXT WITNESS WHO WILL BE TAKEN OUT OF TURN, WHO
3 IS, IN EFFECT, A DEFENSE WITNESS WHOSE TIME IS RATHER LIMITED,
4 WE ARE GOING TO TAKE A SHORT RECESS UNTIL THAT WITNESS ARRIVES
5 SO WE CAN GET HIM ON, GET HIM OVER, AND THEN HE CAN GO ABOUT HIS
6 WAY. AND THE RECESS WILL BE UNTIL THAT WITNESS ARRIVES.

7 (RECESS)

8 MR. HORN: YES, I'D LIKE TO CALL MR. EARL COOLEY.

9 CAPTAIN DOCHERTY: LET THE RECORD REFLECT THAT THE BOARD
10 IS RECONVENED.

11 YOU HAVEN'T BEEN SWORN IN, MR. COOLEY?

12 THE WITNESS: NO, I HAVEN'T.

13
14 EARL COOLEY,

15 PRODUCED AS A WITNESS OUT OF ORDER BY AND ON BEHALF OF THE
16 DEFENSE, AND HAVING BEEN DULY SWORN BY THE CHAIRMAN, WAS
17 EXAMINED AND TESTIFIED AS FOLLOWS:

18 THE WITNESS: I DO.

19 CAPTAIN DOCHERTY: THANK YOU. WOULD YOU PLEASE GIVE YOUR
20 NAME AND SPELL IT AND YOUR OCCUPATION.

21 THE WITNESS: MY NAME IS EARL, E-A-R-L, COOLEY,
22 C-O-O-L-E-Y. I'M AN ATTORNEY.

23
24 DIRECT EXAMINATION

25 BY MR. HORN:

1 Q MR. COOLEY, DURING THE COURSE OF YOUR EMPLOYMENT
2 HAVE YOU EVER COME IN CONTACT WITH THE PERSONS NAMED JERRY
3 ARMSTRONG AND MICHAEL J. FLYNN?

4 A I HAVE.

5 Q DURING THE COURSE OF YOUR PROFESSIONAL
6 RESPONSIBILITIES, HAVE YOU BECOME AWARE OF ANY ONGOING ATTEMPTS
7 AT EXTORTION BEING PERPETRATED BY MR. ARMSTRONG AND/OR
8 MR. FLYNN?

9 A YES, SIR.

10 Q SPECIFICALLY, DIRECTING YOUR ATTENTION TO THEIR
11 EFFORTS AS AGAINST THE CHURCH OF SCIENTOLOGY IN LATE 1984, DID
12 YOU BECOME AWARE OF ANY ATTEMPTS AT EXTORTION OR CONSPIRACY TO
13 EXTORT FROM THE CHURCH?

14 A YES, I DID.

15 Q WOULD YOU EXPLAIN TO THE COURT EXACTLY HOW THIS
16 CAME TO YOUR KNOWLEDGE AND WHAT THE PLAN CONSISTED OF?

17 A I'M NATIONAL TRIAL COUNSEL FOR THE CHURCH OF
18 SCIENTOLOGY.

19 IT CAME TO THE ATTENTION OF THE CHURCH OF
20 SCIENTOLOGY, AND ITS ATTORNEYS, WHO IN TURN HIRE PRIVATE
21 INVESTIGATORS TO INVESTIGATE FACTS OF THIS NATURE, THAT GERALD
22 ARMSTRONG, IN CONJUNCTION WITH ONE, MICHAEL FLYNN, AN ATTORNEY
23 IN BOSTON, WERE ENGAGED IN A COVERT OPERATION AGAINST THE CHURCH
24 OF SCIENTOLOGY, WHICH HAD AS ITS OBJECTIVE THE SUBVERSION OF
25 PRESENT MEMBERS OF THE CHURCH OF SCIENTOLOGY, THE PLANTING OF

1 PHONY EVIDENCE IN THE FILES OF THE CHURCH OF SCIENTOLOGY, AND
2 THE FRAMING OF A SENIOR SCIENTOLOGIST ON A SEXUAL MISCONDUCT
3 CHARGE, WHICH HAD AS ITS PURPOSE THE DESTRUCTION OF HIS
4 MARRIAGE, TO PLACE HIM IN A POSITION TO EXTORT HIM INTO THE GAME
5 THAT THEY WERE PLAYING; THAT GAME HAVING A THREE-FRONG ATTACK.

6 ONE, TO SETTLE ALL OF THE CASES WHICH MR. FLYNN HAD
7 PENDING AGAINST THE CHURCH OF SCIENTOLOGY, WHICH AT THAT TIME
8 TOTALED ONE BILLION DOLLARS IN CLAIMS.

9 SECOND, TO PLANT IN THE FILES OF THE CHURCH OF
10 SCIENTOLOGY EVIDENCE, PHONY IN NATURE, THAT WOULD INDICATE THAT
11 THE CHURCH OF SCIENTOLOGY WAS ATTEMPTING TO FRAME MICHAEL FLYNN
12 ON THE FORGERY OF A TWO MILLION DOLLAR CHECK ON THE ACCOUNT OF
13 L. RON HUBBARD, THE FOUNDER OF THE RELIGION OF SCIENTOLOGY, AND
14 THE PLANTING OF PHONY EVIDENCE IN THE FILES OF THE CHURCH WHICH
15 WOULD SERVE AS THE BASIS FOR A PHONY INDICTMENT TO BE BROUGHT
16 AGAINST THE CHURCH AND SENIOR SCIENTOLOGISTS AND L. RON HUBBARD
17 BY A CENTRAL MEMBER OF THE CRIMINAL INTELLIGENCE DIVISION OF THE
18 INTERNAL REVENUE SERVICE.

19 THESE WOULD BE UNCOVERED IN CIVIL LITIGATION AND IN
20 A RAID TO BE CONDUCTED BY THE C.I.D., THE F.B.I., AND PERHAPS
21 OTHER FEDERAL OFFICES.

22 A RECEIVERSHIP WOULD THEN BE SOUGHT THROUGH A
23 MINORITY SHAREHOLDER'S SUIT, IN WHICH THE CHURCH WOULD BE TAKEN
24 OVER BY PEOPLE SYMPATHETIC TO MR. FLYNN AND MR. ARMSTRONG.

25 THE MONEY OF THE CHURCH WOULD THEN BE DIVERTED INTO

1 THE SETTLEMENT OF THE CASES, THAT HAD BEEN AMASSED AGAINST THE
2 CHURCH BY MR. FLYNN.

3 INDICTMENTS WOULD BE RETURNED BASED ON PHONY
4 EVIDENCE. AND INABILITY ON THE PART OF COUNSEL TO TELL WHAT WAS
5 LEGITIMATE EVIDENCE AND WHAT WASN'T LEGITIMATE EVIDENCE WOULD
6 MAKE IT IMPOSSIBLE TO INTELLIGENTLY DEFEND THE INDICTMENTS THAT
7 WOULD BE CONTEMPLATED BY THE CRIMINAL INTELLIGENCE DIVISION.

8 THIS COVERT OPERATION CAME TO OUR ATTENTION BECAUSE
9 PEOPLE THAT ARMSTRONG WERE DEALING WITH WERE NOT, IN FACT,
10 CONSPIRATORS TO HIM, BUT WERE LOYAL TO THE CHURCH OF
11 SCIENTOLOGY.

12 IT WAS THEN CONSIDERED APPROPRIATE BY COUNSEL TO
13 RETAIN A PRIVATE INVESTIGATOR TO CONDUCT A COVERT OPERATION
14 AGAINST THE COVERT OPERATION BEING CONDUCTED BY MR. ARMSTRONG TO
15 UNCOVER THE CRIMES THAT HE WAS CONTEMPLATING PERPETRATING
16 AGAINST THE CHURCH.

17 COUNSEL FOR THE CHURCH OBTAINED A PRIVATE
18 INVESTIGATOR, AND I REFER TO COUNSEL IN TORONTO, CANADA, BECAUSE
19 PART OF THE WHOLE SCAM ALSO INVOLVED THE FURNISHING OF PHONY
20 EVIDENCE TO INVESTIGATING OFFICIALS UP TO TORONTO, WHICH AT THAT
21 TIME WERE ALSO BEING IMPORTUNED TO BRING INDICTMENTS AGAINST THE
22 CHURCH OF SCIENTOLOGY. THAT ULTIMATELY DISSOLVED WHEN THEY SAW
23 THE LIGHT THAT THE EVIDENCE WAS IMPROPER.

24 COUNSEL IN TORONTO RETAINED EUGENE INGRAM, A FORMER
25 LOS ANGELES POLICE DEPARTMENT OFFICER, AS A PRIVATE INVESTIGATOR

1 AND COMMISSIONED HIM TO INVESTIGATE THIS MATTER.

2 AND MR. INGRAM, IN TURN, RAN THIS COVERT OPERATION
3 BY VIDEOTAPING MEETINGS BETWEEN MR. ARMSTRONG AND THE
4 CONSPIRATORS IN GRIFFITH PARK HERE IN LOS ANGELES.

5 MR. INGRAM FIRST OBTAINED THE CONSENT TO THE
6 ELECTRONIC SURVEILLANCE OR AUTHORITY FOR THE ELECTRONIC
7 SURVEILLANCE FROM OFFICER RODRIGUEZ, WHO WAS STATIONED IN THE
8 DISTRICT IN WHICH THE SURVEILLANCE WAS TO TAKE PLACE.

9 Q MR. COOLEY, HAVE YOU HAD AN OPPORTUNITY TO VIEW THE
10 VIDEOTAPES THAT WERE TAKEN ON THOSE OCCASIONS?

11 A YES, SIR, I HAVE.

12 MR. HORN: MAY I APPROACH?

13 CAPTAIN DOCHERTY: YES.

14 BY MR. HORN:

15 Q I'M SHOWING YOU A VIDEOTAPE THAT WAS GIVEN TO ME,
16 SERGEANT HERNANDEZ, AND ASK YOU WHETHER OR NOT THAT IS A COPY OF
17 THE ORIGINAL VIDEOTAPES THAT WERE TAKEN OF MR. ARMSTRONG?

18 A YES, I BELIEVE IT IS. I RECALL THAT AFTER THE
19 TAPES WERE PLACED IN EVIDENCE IN THE TRIAL OF KRISTOFERSON
20 VERSUS THE CHURCH OF SCIENTOLOGY OF CALIFORNIA, ET AL, UP IN
21 PORTLAND, OREGON, THAT THE U.S. ATTORNEY IN PORTLAND FILED A
22 MOTION THAT THE TAPES BE TURNED OVER TO HIM, TO IN TURN BE
23 TURNED OVER TO THE CRIMINAL INTELLIGENCE DIVISION OF THE
24 INTERNAL REVENUE SERVICE, AND THEY APPEARED IN COURT, AND THAT
25 MOTION WAS ALLOWED, AND THE TAPES WERE WITHDRAWN FROM EVIDENCE

1 FOR -- UNDER THE SUPERVISION OF BOTH SIDES AND THE GOVERNMENT,
2 WERE WITHDRAWN FROM EVIDENCE.

3 AT THE TIME THEY WERE BEING WITHDRAWN, I SAW THEM
4 TURNED OVER. AN AGENT FROM THE C.I.D. WAS THERE. HE ASKED ME
5 THE QUESTION WHETHER I HAD ANY WIRETAPS IN ADDITION TO THIS.

6 I THOUGHT THAT WAS STRANGE, BUT IN ANY EVENT, THESE
7 APPEAR TO BE COPIES THAT WERE MADE FROM THE ORIGINALS, AND I CAN
8 IF YOU WANT TO RUN IT, I CAN IDENTIFY IT IMMEDIATELY, BUT I'M
9 CONFIDENT THAT IF SERGEANT HERNANDEZ HAS THESE, THESE ARE THE
10 COPIES OF THOSE TAPES.

11 Q MR. COOLEY, HAVE YOU VIEWED THOSE TAPES?

12 A YES, I HAVE.

13 Q DO THEY, IN FACT, SHOW EVIDENCE OF ATTEMPTED
14 EXTORTION AND PLANTING OF FALSE EVIDENCE, AS WELL AS OTHER
15 CRIMES?

16 A WITHOUT ANY QUESTION, THEY SHOW EXTORTION,
17 SOLICITATION OF EXTORTION, SOLICITATION OF FORGERY, SOLICITATION
18 OF THE PLANTING OF PHONY DOCUMENTS, CREATION OF PHONY DOCUMENTS,
19 CONSPIRACY, AND A NUMBER OF OTHER CRIMES THAT ARE CRIMES, IN MY
20 OPINION, UNDER THE LOS ANGELES PENAL CODE.

21 MR. HORN: MAY I HAVE THAT EXHIBIT MARKED FOR
22 IDENTIFICATION AT THIS TIME?

23 SGT. CARTER: DEPARTMENT WOULD OBJECT. WE DO NOT KNOW IF
24 THIS IS THE SAME TAPE. THERE'S NO WAY OF TELLING. ALL WE HAVE
25 IS THIS GENTLEMAN'S TESTIMONY.

1 MR. HORN: HE CAN VIEW IT.

2 THE WITNESS: MAYBE I CAN HELP. YOU WILL SEE -- IF YOU
3 WILL VIEW THE TAPE, AND I DON'T KNOW WHETHER YOU HAVE OR NOT --
4 THAT THE TAPE IS TIMED AND THE CLOCK APPEARED ON THE TAPE
5 ITSELF.

6 THERE IS NOT A MISSING SECOND, AND IT SHOWS THE
7 ACTIVITIES IN GRIFFITH PARK ON THE OCCASION WHICH IT PURPORTS TO
8 SHOW.

9 MR. HORN: EXCUSE ME, MR. CHAIRMAN. THE TAPE IS
10 AUTHENTICATED BY THIS WITNESS. HE SAYS IT IS THE TAPE. IF THEY
11 HAVE CONTRARY EVIDENCE, THAT WOULD GO IN REBUTTAL.

12 I'M ASKING IT BE MARKED AND RECEIVED AS A DEFENSE
13 EXHIBIT. IF HE WANTS TO IMPUNE THE TAPE OR IMPEACH IT, HE HAS
14 THAT OPPORTUNITY.

15 SGT. CARTER: MR. CHAIRMAN, HE SAID THAT HE DID NOT KNOW
16 IF THIS WAS THE SAME TAPE.

17 THE WITNESS: IT IS.

18 SGT. CARTER: HE SAID THAT HE HAS VIEWED A TAPE WHICH HAD
19 ALL OF THESE PURPORTED CRIMES ON IT.

20 SGT. HERNANDEZ: MR. CHAIRMAN, IF I MAY, DURING THE
21 COURSE OF MY INVESTIGATION, I REQUESTED THAT I BE GIVEN A COPY
22 OF THE TAPE THAT THE DEPARTMENT HAD IN EVIDENCE.

23 THE ADVOCATE PRESENTED ME A COPY. THAT IS THE COPY
24 HE PRESENTED TO ME DURING THIS INVESTIGATION OF THAT PARTICULAR
25 SCENE OR SEQUENCE OF EVENTS.

1 SGT. CARTER: IS THIS THE SAME TAPE THAT I HAD DONE FOR
2 YOU?

3 SGT. HERNANDEZ: THAT IS CORRECT.

4 SGT. CARTER: OKAY.

5 CAPTAIN DOCHERTY: IS THERE ANYTHING ON THE TAPE WHICH
6 INDICATES THE DATE ON WHICH IT WAS MADE?

7 SGT. CARTER: NO, THERE'S NO -- THERE IS ALSO NO
8 INDICATION AS TO WHO THE PLAYERS ARE ON THAT TAPE.

9 MR. HORN: WE CAN AMPLIFY THAT ONCE THE COURT SEES THE
10 TAPE. WE CAN IDENTIFY THE PLAYERS AND WE CAN GET A WITNESS IN
11 TO TESTIFY AS TO THE TIME THAT IT TOOK PLACE, BUT THE TIME AND
12 DATE THAT IT TOOK PLACE, IT'S PRETTY CLEAR THAT THIS IS THE TAPE
13 THAT WAS DONE IN RESPONSE TO THE, QUOTE, "AUTHORIZATION," END
14 QUOTE, THAT OFFICER RODRIGUEZ SIGNED.

15 SGT. CARTER: COULD I HAVE A MOMENT, PLEASE.

16 (DISCUSSION OFF THE RECORD.)

17 SGT. CARTER: I WOULD REMOVE THE OBJECTION.

18 CAPTAIN DOCHERTY: THAT WILL BE DEFENSE B.

19 (DEFENSE'S EXHIBIT B1 WAS MARKED FOR
20 IDENTIFICATION BY THE CHAIRMAN AND RECEIVED
21 IN EVIDENCE.)

22 SGT. HERNANDEZ: IF I MAY, IF THERE IS A QUESTION,
23 BECAUSE OF MR. COOLEY'S TIGHT SCHEDULE, AS TO THE CHARACTERS OR
24 SOME QUESTIONS THE BOARD MAY HAVE, IF THE BOARD WISHES TO, WE
25 COULD VIEW IT NOW.

1 I BELIEVE WE HAVE A FACILITY TO DO THAT, AND FEEL
2 FREE TO HAVE MR. COOLEY EXPLAIN SOME OF THE CHARACTERS THAT ARE
3 INVOLVED, IF THE BOARDS WANTS.

4 SGT. CARTER: THERE WILL BE NO OBJECTION FROM THE
5 DEPARTMENT.

6 CAPTAIN DOCHERTY: WHERE ARE THE FACILITIES?

7 SGT. HERNANDEZ: WE CAN HAVE THE VIDEOTAPE IN HERE. I
8 CAN GO SEE IF THAT CAN BE DONE.

9 CAPTAIN DOCHERTY: HOW LONG IS THE TAPE?

10 SGT. HERNANDEZ: 20 MINUTES.

11 CAPTAIN DOCHERTY: ALL RIGHT.

12 (DISCUSSION OFF THE RECORD.)

13 SGT. CARTER: THE DEPARTMENT WOULD REESTABLISH ITS
14 OBJECTION AS TO THIS TAPE BECAUSE IT'S MY UNDERSTANDING THAT
15 THIS TAPE IS AN EDITED TAPE FROM A SERIES OF TAPES WHICH ARE
16 APPROXIMATELY FIVE OTHER TAPES, AND THOSE TAPES WERE THE ONES
17 THAT WERE PRESENTED AT THE TRIAL THAT MR. COOLEY IS REFERRING
18 TO, AND THOSE WOULD BE THE BEST EVIDENCE.

19 AND THIS HAS BEEN EDITED BY UNKNOWN PERSONS WHO I'M
20 NOT AWARE OF. I DON'T KNOW IF THE DEFENSE EDITED IT. I DON'T
21 KNOW IF SOMEONE IN THE DEPARTMENT EDITED IT.

22 BUT IF THIS IS GOING TO BE PRESENTED TO THIS BOARD
23 AND THE BOARD IS GOING TO REVIEW IT, THE BEST EVIDENCE WOULD BE
24 TO REVIEW THE TAPES IN THEIR ENTIRETY AND IN THEIR TOTAL CONTEXT
25 AS TO WHAT WAS OCCURRING IN REGARDS TO THE ALLEGATIONS AND THE

1 PURPORTED CRIMES THAT MR. COOLEY IS TESTIFYING TO.

2 MR. HORN: IN RESPONSE TO THAT, I THINK IT'S AN
3 INAPPROPRIATE BEST EVIDENCE OBJECTION. BEST EVIDENCE GENERALLY
4 GOES TO A WRITING, AND WHEN YOU HAVE PERSONS SPEAKING ABOUT A
5 WRITING, THE BEST EVIDENCE OF THE WRITING IS THE WRITING ITSELF.

6 IN THIS PARTICULAR SITUATION, WE'RE INDUCING THOSE
7 ELEMENTS WITHIN THE TAPE THAT ARE RELEVANT TO THIS PROCEEDING,
8 THAT IS THOSE ELEMENTS THAT HAVE TO DO WITH CONVERSATIONS THAT
9 DEAL WITH THE PERPETRATION OF CRIMES.

10 IF THE DEPARTMENT ADVOCATE WISHES TO INTRODUCE THE
11 REMAINDER OF THE TAPES, HE HAS A PERFECT RIGHT IN LAW TO DO SO.
12 IT'S A BASIC FACET THAT IF ONE PARTY INTRODUCES PART OF A
13 CONVERSATION, THE OPPOSING PARTY MAY INTRODUCE ALL OF IT.

14 BUT IT'S NOT OUR OBLIGATION UNDER THE BEST EVIDENCE
15 RULE TO INTRODUCE THE ENTIRE PANOPLY OF TAPES, ONLY THOSE
16 ELEMENTS THAT ARE RELEVANT TO OUR PARTICULAR INQUIRY; OTHERWISE,
17 THIS BOARD IS GOING TO BE TIED UP FOR SEVERAL DAYS VIEWING
18 TAPES.

19 IF THE DEPARTMENT ADVOCATE WISHES THAT TO HAPPEN,
20 WE HAVE NO OBJECTION, BUT FOR OUR PURPOSES TO PRESENT OUR CASE,
21 THAT IS THE EVIDENCE WE WISH THE COURT TO HEAR.

22 SGT. CARTER: THE DEPARTMENT STILL MAINTAINS ITS POSITION
23 THAT THE ORIGINAL TAPES THAT MR. COOLEY IS TESTIFYING TO IS THE
24 BEST EVIDENCE IN THIS MATTER, WHETHER ALL OF THIS IS REALLY
25 RELEVANT TO THE CHARGES AGAINST OFFICER RODRIGUEZ IS ANOTHER

1 THING.

2 (DISCUSSION OFF THE RECORD.)

3 SGT. HERNANDEZ: MR. CHAIRMAN, IF I MAY BE HEARD. AT THE
4 TIME I RECEIVED THE INVESTIGATION PART OF THE ADDENDA WERE THE
5 TRANSCRIPTS OF THE TAPE THAT WE ARE DISCUSSING AT THIS POINT IN
6 TIME. MY LOGICAL CONCLUSION IS THAT THE DEPARTMENT FELT IT WAS
7 RELEVANT THEN. I DON'T SEE WHY THEY DON'T SEE WHY IT'S RELEVANT
8 NOW.

9 CAPTAIN DOCHERTY: THE BOARD WILL ACCEPT THIS AND GIVE IT
10 THE APPROPRIATE WEIGHT, AND IF THE BOARD FEELS THAT THE
11 ADDITIONAL TAPES WOULD SHED ANY MORE LIGHT, WE WILL REQUEST THE
12 ADDITIONAL TAPES. OR IF THE DEPARTMENT FEELS THAT IT WOULD BE
13 NECESSARY FOR US TO SEE THE ADDITIONAL TAPES, AT THAT TIME WE
14 WILL VIEW THEM.

15 MR. HORN: I THINK THAT'S THE FAIREST APPROACH.

16 SGT. HERNANDEZ: THERE IS A ROOM, CHAMBERS HERE IN THE
17 POLICE COMMISSION WHICH IS A SMALLER ROOM. I DON'T BELIEVE THE
18 AUDIENCE COULD BE IN THERE, BUT IF WE WOULD LIKE TO RECONVENE IN
19 THERE, THEY HAVE A VIDEOTAPE MACHINE THAT'S ALL SET UP THAT WE
20 COULD VIEW IT, AND MR. COOLEY CAN BE PRESENT, IF THE DEPARTMENT
21 CHAIRMAN OR ASSOCIATE MEMBERS WISH TO ASK HIM ANY QUESTIONS.

22 IF THAT'S PERMISSIBLE, WE COULD JUST MOVE RIGHT
23 INTO THE NEXT ROOM AND VIEW IT.

24 THE WITNESS: I THINK MAYBE YOU'LL FIND ACRONYMS USED,
25 LETTERS USED THAT MAY REQUIRE SOME EXPLANATION, SUCH AS S.C.W.,

1 THINGS OF THAT NATURE.

2 CAPTAIN DOCHERTY: WE WILL ADJOURN THEN, AND YOU ARE ONLY
3 GOING TO TRANSCRIBE WHAT MR. COOLEY SAYS DURING THE TAPE.

4 (WHEREUPON THE TAPE WAS PLAYED.)

5 (WHEREUPON THE HEARING RECOVERED IN ADJOINING ROOM
6 TO VIEW TAPE.)

7 CAPTAIN DOCHERTY: WHO ARE THESE PEOPLE?

8 THE WITNESS: THE PEOPLE THAT ARE TALKING, THE FELLOW
9 THAT WAS TALKING THEN WAS GERALD ARMSTRONG.

10 CAPTAIN DOCHERTY: THE ONE ON THE RIGHT?

11 THE WITNESS: THE ONE ON THE RIGHT IS GERALD ARMSTRONG.

12 THIS TAPE IS NOVEMBER 7TH, 1984. GERALD ARMSTRONG IS ON THE
13 RIGHT, AND ON THE LEFT IS A FELLOW THAT HE KNOWS AS JOEY.

14 CAPTAIN DOCHERTY: AND WHO IS JOEY?

15 THE WITNESS: JOEY IS A SCIENTOLOGIST. I BELIEVE HE WAS
16 BASED IN LOS ANGELES AT THAT TIME.

17 CAPTAIN DOCHERTY: AND HE IS --

18 THE WITNESS: HE WAS THOUGHT BY MR. ARMSTRONG TO BE A
19 CO-CONSPIRATOR AND, IN FACT, HE WAS A LOYAL SCIENTOLOGIST.

20 CAPTAIN DOCHERTY: HE WAS CONDUCTING AN UNDERCOVER
21 OPERATION?

22 THE WITNESS: HE WAS PART OF THE COVERT OPERATION.

23 CAPTAIN DOCHERTY: OKAY.

24 THE WITNESS: I THINK THAT THIS STARTED SOMEWHERE AFTER
25 THE BEGINNING.

1 SGT. HERNANDEZ: YEAH, I THINK SO.

2 THE WITNESS: AND YOU WILL SEE THAT ARMSTRONG HAD SOME
3 DOCUMENTS IN HIS HANDS. I'M TRYING TO DETERMINE WHETHER THIS IS
4 THE MEETING AT WHICH HE WAS LOOKING AT DOCUMENTS THAT HAD BEEN
5 TAKEN OUT OF THE CHURCH, I THINK HE WAS BY JOEY AND GIVEN TO HIM
6 AS SAMPLES FROM WHICH HE COULD MOCK UP, STUDY THE PRINTING AND
7 THE FORM OF THE DOCUMENTS AND HOW THINGS WERE DONE.

8 CAPTAIN DOCHERTY: IS THAT SAID ON THE TAPE?

9 THE WITNESS: IT WILL BE SAID. IT ISN'T SAID AT THE
10 BEGINNING. I THINK IT WILL COME TO THAT SO --

11 CAPTAIN DOCHERTY: WE DO HAVE A TRANSCRIPT?

12 THE WITNESS: YOU DO HAVE A TRANSCRIPT.

13 CAPTAIN DOCHERTY: IS THERE ANY SIGNIFICANT DIALOGUE
14 PRIOR TO --

15 THE WITNESS: THE DIALOGUE YOU'VE JUST HEARD IS
16 MR. ARMSTRONG GIVING TO JOEY THE NUMBERS OF C.I.D. AGENTS,
17 RESUTA (SIC) AND LIPKIN, F.B.I. AGENTS WHO ARE NAMED ON THERE,
18 AND I DON'T KNOW WHETHER HE HAS YET GIVEN THE TELEPHONE NUMBER
19 OF AN ASSISTANT UNITED STATES ATTORNEY IN BOSTON OR NOT, BUT HE
20 DOES THAT AS WELL.

21 CAPTAIN DOCHERTY: WHAT I'M SAYING IS PRIOR TO THIS, IS
22 THERE ANY SIGNIFICANT DIALOGUE?

23 THE WITNESS: LET ME LOOK AT THE TRANSCRIPT HERE.

24 SGT. HERNANDEZ: IT STARTS --

25 THE WITNESS: HERE'S WHAT I'M TALKING ABOUT. AT THE VERY

1 BEGINNING OF THE TAPE, ARMSTRONG -- JOEY SAYS, "OKAY. I'VE GOT
2 A BUNCH OF STUFF THAT YOU REQUESTED SO WE CAN GO OVER THAT."

3 JERRY ARMSTRONG SAYS, "GOOD."

4 JOEY SAYS, "AND YOU HAD A MESSAGE FOR ME?"

5 AND ARMSTRONG SAYS,

6 "WELL, I HAD JUST MORE OR LESS PUT TOGETHER OUR
7 PERSPECTIVE ON THE WHOLE THING."

8 AND JOEY SAID, "WHAT?"

9 AND HE SAYS,

10 "VERBALLY, IN ANY CASE, LET'S GO OVER THAT NOW.
11 THIS IS MIKE'S PERSPECTIVE," MICHAEL FLYNN HE'S TALKING
12 ABOUT..

13 MR. HORN: MAY I HAVE A MOMENT TO INTERRUPT? I'M
14 AMENABLE TO PRESENTING THE BOARD WITH THE TRANSCRIPT OF THE
15 PROCEEDINGS WHICH WE RECEIVED FROM THE DEPARTMENT ADVOCATE AND
16 STIPULATING THAT THEY ARE AN ACCURATE DEPICTION OF WHAT'S SAID
17 ON THE TAPE AND --

18 SGT. CARTER: MR. COOLEY, THE TRANSCRIPT YOU'RE READING
19 NOW ARE NOT THE TRANSCRIPTS OF THE -- EVERYTHING THAT WE ARE --
20 WE ARE SEEING RIGHT NOW, ARE THEY?

21 THE WITNESS: I DON'T KNOW. WAS THAT STARTED AT THE VERY
22 BEGINNING OF WHAT YOU HAD THERE?

23 SGT. CARTER: ISN'T THAT THE TRANSCRIPT OF THE ORIGINAL
24 TAPES?

25 THE WITNESS: THIS IS A TRANSCRIPT OF THE ENTIRE -- THIS

1 APPEARS TO BE A TRANSCRIPT OF THE ENTIRE MEETING THAT I HAVE
2 HERE BEFORE ME. THIS TAPE STARTED AFTER THE BEGINNING OF THE
3 MEETING, AT LEAST, THE PORTIONS THAT'S BEEN PLAYED.

4 I DON'T KNOW WHETHER YOU HAVE IT BACK AT THE
5 BEGINNING OR NOT.

6 CAPTAIN DOCHERTY: THIS IS MORE LENGTHY THAN THAT?

7 THE WITNESS: ALL THE TAPES, IF YOU WERE TO PLAY THEM,
8 WOULD TAKE YOU MANY HOURS.

9 SGT. HERNANDEZ: WHAT I WOULD LIKE TO DO IS MAYBE WE CAN
10 SUBMIT THE TRANSCRIPTS TO YOU, AND IF YOU HAVE QUESTIONS OVER
11 THE TRANSCRIPTS, TO ASK MR COOLEY, BECAUSE HE'S NOT GOING TO BE
12 AVAILABLE AFTER THIS POINT.

13 WHETHER YOU WANT TO LISTEN TO VIDEOS OR LOOK AT THE
14 VIDEO AND LOOK AT THE TRANSCRIPT AT THE SAME TIME, I HAVE NO
15 OBJECTION.

16 SGT. CARTER: THAT WOULD REQUIRE -- THE DEPARTMENT WOULD
17 FEEL BETTER OFF WITH THE BOARD MEMBERS READING THE ENTIRE
18 TRANSCRIPT. YOU KNOW, THE LENGTH OF THE TAPES IS SO LONG,
19 BECAUSE THERE ARE NUMEROUS TAPES, AND THEY ARE LENGTHY.

20 THIS IS MERELY A SLANTED EDITED PORTION OF A TAPE
21 SHOWING THE BEST LIGHT ON THE DEFENSE'S SIDE, AND THAT'S ALL IT
22 IS IS A CONDENSATION. YOU HAVE TO TAKE EVERYTHING IN
23 PERSPECTIVE.

24 MR. HORN: LET ME JUST SAY THAT THERE'S GOING TO BE NO
25 ATTEMPT AND HAS BEEN NO ATTEMPT TO SLANT THE EVIDENCE PRESENTED

1 IN ANY OTHER LIGHT THAN IN A LIGHT THAT IS SEEKING THE TRUTH.

2 WE ARE WILLING TO HAVE THE TRANSCRIPTION BE READ BY
3 THE BOARD AS WELL AS THE TAPE. YOU CAN HAVE THE ENTIRE PICTURE
4 BEFORE YOU THEN. IF THE DEPARTMENT ADVOCATE IS ALSO AGREEABLE,
5 THAT SOLVES THE PROBLEM.

6 SGT. CARTER: I WOULD MUCH PREFER TO HAVE THE
7 TRANSCRIPTS.

8 CAPTAIN DOCHERTY: I THINK THAT WOULD BE -- DO WE HAVE
9 COPIES OF THAT OR WOULD IT BE DIFFICULT TO GET COPIES OF THAT SO
10 THAT THE BOARD COULD READ IT OVER THE WEEKEND.

11 SGT. CARTER: I HAVE COPIES. THE DEFENSE HAS COPIES.

12 SGT. HERNANDEZ: WE HAVE COPIES OF -- NOT THE ENTIRE COPY
13 YOU HAVE.

14 SGT. CARTER: I DON'T KNOW WHAT MR. COOLEY HAS, BUT THE
15 SKELLY PACKAGE, I CAN PROVIDE YOU WITH COPIES OF THOSE.

16 MR. HORN: THAT'S THE SKELLY PACKAGE HE'S LOOKING AT
17 RIGHT NOW.

18 SGT. CARTER: IF IT'S ONE AND THE SAME, WE'LL XEROX IT
19 FOR THE BOARD MEMBERS TO HAVE OVER THE WEEKEND.

20 SGT. HERNANDEZ: THE ONLY PROBLEM I FORESEE, THERE IS A
21 QUESTION AS TO SOME OF THE TERMINOLOGY OR CHARACTERS. MAYBE WE
22 CAN HAVE MR. COOLEY GIVE YOU MAYBE A SYNOPSIS OF WHAT YOU MAY
23 FIND IN THERE.

24 IT MAY BE EASIER AT THAT POINT IN TIME TO READ AND
25 UNDERSTAND WHAT ACTUALLY TRANSPIRED.

1 THE WITNESS: I THINK YOU WILL NEED SOME CLARIFICATION OF
2 THE ACRONYMS THAT ARE USED OR YOU LOSE SOME OF THE MEANING, AND
3 I THINK THAT THE OPPORTUNITY TO EXPLAIN THOSE IS MOST AVAILABLE
4 FROM THIS EDIT THAT IS UP HERE.

5 CAPTAIN DOCHERTY: WHY DON'T WE DO THAT, AND AS THESE
6 ACRONYMS COME UP, IF YOU WILL JUST SPEAK OUT AND TELL US WHAT IT
7 MEANS.

8 IF HE SAYS F.B.I., WE KNOW F.B.I. OKAY.

9 CAPTAIN FETTERS: LET ME ASK YOU, WHAT IS C.I.D.?

10 THE WITNESS: CRIMINAL INTELLIGENCE DIVISION OF THE
11 INTERNAL REVENUE SERVICE.

12 CAPTAIN DOCHERTY: CAN WE GO ON WITH THE TAPE?

13 (WHEREUPON TAPE WAS PLAYED FURTHER.)

14 THE WITNESS: BRACKETT DENNISTON IS THE ASSISTANT UNITED
15 STATES ATTORNEY IN BOSTON.

16 SGT. CARTER: IS THIS A DIFFERENT DAY?

17 THE WITNESS: LOOKS LIKE A DIFFERENT DAY TO ME.

18 SGT. HERNANDEZ: YEAH, IT IS.

19 (WHEREUPON TAPE WAS PLAYED FURTHER.)

20 MR. HORN: CAN YOU STOP THAT FOR A MINUTE?

21 THE WITNESS: USING "AN ISSUE" AS AN ASSESSMENT WITHIN
22 THE CHURCH OF SCIENTOLOGY, THAT HAS A SPECIFIC MEANING.

23 AN ISSUE IS A PAPER OR DOCUMENTATION WHICH PASSES
24 UP WHAT THEY CALL THE "LINES" THROUGH THE ORGANIZATION.

25 ELSEWHERE ON THE TAPE YOU'LL HEAR THEM REFERRING TO C.S.W. WHICH

1 IS COMPLETED STAFF WORK, WHICH IS DOCUMENTATION THAT FLOWS UP
2 THE LINES.

3 AND WHEN HE TALKS ABOUT IT BEING IN THE BASKETS,
4 HE'S TALKING LITERALLY ABOUT PAPER WHICH IS MOVING THROUGH THE
5 CHURCH OF SCIENTOLOGY, AND HE'S TALKING ABOUT PUTTING THAT PAPER
6 ON THE LINES.

7 AND AS YOU GO THROUGH THESE TRANSCRIPTS AND,
8 HOPEFULLY, AS YOU HEAR FURTHER ON THE TAPE -- ALTHOUGH THERE WAS
9 A TREMENDOUS AMOUNT OMITTED FROM THE TAPE, WHICH I SEE RIGHT IN
10 FRONT OF ME ON THE TRANSCRIPT THAT HAS BEEN FURNISHED TO YOU,
11 YOU WILL SEE THAT WHAT ARMSTRONG IS TALKING ABOUT IS HAVING
12 ISSUES PLANTED IN THE FILES WHICH ATTACK ACTIONS OF PRESENT
13 MANAGEMENT AS BEING UNLAWFUL WHEN, IN FACT, THOSE ISSUES ARE NOT
14 PREPARED BY MANAGEMENT BUT ARE PREPARED BY ARMSTRONG OUTSIDE AND
15 SMUGGLED IN, HE HOPES, THROUGH THIS FELLOW.

16 CAPTAIN DOCHERTY: IS ARMSTRONG AT THIS POINT IN TIME A
17 MEMBER OF THE CHURCH OF SCIENTOLOGY?

18 THE WITNESS: HE HAD LEFT THE CHURCH OF SCIENTOLOGY LONG
19 BEFORE AND, IN FACT, HAD A SIXTY MILLION DOLLAR LAWSUIT PENDING
20 AGAINST THE CHURCH OF SCIENTOLOGY, WHICH WAS PART OF WHAT HE
21 WANTED SETTLED IF HE AND HIS PEOPLE WERE SUCCESSFUL IN TAKING
22 OVER THE MANAGEMENT OF THE CHURCH.

23 CAPTAIN DOCHERTY: BUT AT THE TIME, 11/7/84, HE WAS NOT A
24 MEMBER?

25 THE WITNESS: WITHOUT ANY QUESTION HE WAS NOT A MEMBER OF

1 THE CHURCH AND WAS INVOLVED ACTIVELY IN LITIGATION AGAINST THE
2 CHURCH.

3 (WHEREUPON THE TAPE WAS PLAYED FURTHER.)

4 THE WITNESS: HE IS NOW APPROACHING HIM ON HOW TO TESTIFY
5 IF HE'S ASKED ON -- ASKED ABOUT WHAT THE MEETINGS ARE ABOUT.

6 HE AGREED, THAT'S WHERE HE MADE SURE THAT HE HAS
7 THE COMMITMENT OF THIS MAN AS TO HOW HE WILL TESTIFY ONCE HE'S
8 DEPOSED. AND UNTIL HE GETS THAT AGREEMENT, HE'S NOT GOING TO
9 GIVE HIM HIS IDEAS ON HOW TO INFILTRATE THE CHURCH WITH PHONY
10 DOCUMENTS.

11 WHAT HE'S SAID THERE IS, "WE'RE NOT HERE TO ATTACK
12 THE TECH.". THE "TECH" IN SCIENTOLOGY TERMINOLOGY MEANS THE
13 TECHNOLOGY OF L. RON HUBBARD, THE ECCLESIASTICAL BASIS OF THE
14 BELIEFS OF SCIENTOLOGISTS. THAT'S CALLED "TECH." IT'S SHORT
15 FOR TECHNOLOGY.

16 SO HE'S NOT ATTACKING THE TECH. HE'S AGREEING,
17 "I'M NOT ATTACKING THE TECH." HE'S MAKING HIM AGREE THAT
18 HE'S -- THAT HE'LL TESTIFY THAT HE'S NOT DOING THAT, THAT HE'S
19 INTERESTED IN GLOBAL SETTLEMENT.

20 THAT MEANS A SETTLEMENT OF ALL OF THE CASES THAT
21 ARE IN THE HANDS OF MICHAEL FLYNN, WHICH TOTAL SOME BILLION
22 DOLLARS, AND WHICH HE IS SAYING, "WE'VE GOT TO GET PRESENT
23 MANAGEMENT OUT OF HERE. WE'VE GOT TO GET THIS DONE SO WE CAN
24 BRING PEACE TO THE CHURCH BY PAYING OUT THE RESOURCES IN SOME
25 FASHION."

1 THAT, IT SEEMS TO ME, IS CENTRAL TO THE CRIME OF
2 EXTORTION. ONCE HE HAS THE AGREEMENT, HE GOES ON TO GIVE HIM
3 IDEAS ON THE DOCUMENTS.

4 WHAT HE HAS SAID THERE IS THAT HE CAN MAKE THOSE
5 DOCUMENTS SO YOU COULDN'T TELL THE DIFFERENCE BETWEEN REAL AND
6 THE PHONY ONES HE PUT IN THERE BECAUSE HE KNOWS HOW TO DO IT,
7 AND I CAN TELL YOU THAT IN THE COURSE OF PREPARING FOR TRIALS IN
8 THIS CASE, I HAVE SEEN DOCUMENTS IN THE FILES OF THE CHURCH THAT
9 I STRONGLY SUSPECT ARE NOT LEGITIMATE DOCUMENTS AND WERE PUT
10 THERE BY ARMSTRONG AND NOT PLACED ON THE LINES, ALTHOUGH THEY
11 APPEAR TO HAVE PASSED THROUGH THE LINE WHILE HE WAS IN THE
12 CHURCH AND WAS PREPARING TO LEAVE, HAVING STOLEN THE PERSONAL
13 PAPERS OF L. RON HUBBARD.

14 (WHEREUPON THE TAPE WAS COMPLETED.)

15 SGT. HERNANDEZ: YOU WANT TO GO BACK TO THE BOARD ROOM?

16 CAPTAIN DOCHERTY: YES.

17 THE WITNESS: THERE'S ONE OTHER POINT AS YOU'RE GOING
18 THROUGH THE TRANSCRIPT. I IMMEDIATELY SEE AN ACRONYM THAT YOU
19 WILL NOT UNDERSTAND. IT'S ON THE NOVEMBER 7TH MEETING, AND HE
20 HANDS HIM A STACK OF PAPERS, AND JOEY SAYS, "YOU WANT IT,
21 I.H.E.L.F STAFF?" (SIC)

22 "I.H.E.L.F" STANDS FOR INTERNATIONAL HUBBARD
23 ECCLESIASTICAL LEAGUE OF PASTORS, AND ARMSTRONG LOOKS IT OVER
24 AND SAID, "YES."

25 IT'S LIKE A KID IN A CANDY SHOP. AND THE REASON HE

1 WANTS IT IS, (A), TO SEE IF THERE'S AN ACHILLES' HEEL OF THE
2 CHURCH, AND (B), TO GET A VIEWPOINT AS TO WHAT THE LEGITIMATE
3 DOCUMENTS OF THE CHURCH LOOK LIKE SO WHEN HE GETS THE PRINTING
4 PRESS SET UP, HE WILL BE ABLE TO SET THEM UP ARBITRARILY.

5 CAPTAIN DOCHERTY: INTERNATIONAL HUBBARD --

6 THE WITNESS: ECCLESIASTICAL LEAGUE OF PASTORS.

7 I MIGHT SAY THAT THE TAPES THAT YOU'VE SEEN ARE
8 EDITED TO THE EXTENT THAT YOU REALLY DON'T GET THE FULL FLAVOR
9 OF ALL OF THE CRIMES THAT ARE BEING PLANNED, AND THE TRANSCRIPT,
10 I'M DELIGHTED YOU HAVE BECAUSE IT HAS ALL OF IT IN IT.

11 (WHEREUPON THE HEARING RECONVENED IN THE
12 BOARD ROOM.)

13 CAPTAIN DOCHERTY: LET THE RECORD REFLECT THAT THE BOARD
14 HAS JUST FINISHED VIEWING THE TAPE THAT WAS SUBMITTED IN
15 EVIDENCE BY DEFENSE AND HAS RETURNED TO THE BOARD ROOM.

16 IS THE DEFENSE --

17 MR. HORN: I HAVE NO FURTHER QUESTIONS.

18 CAPTAIN DOCHERTY: SERGEANT HERNANDEZ?

19 SGT. HERNANDEZ: NO FURTHER QUESTIONS.

20 CAPTAIN DOCHERTY: CROSS?

21 SGT. CARTER: YES, MR. CHAIRMAN.

22

23

CROSS-EXAMINATION

24 BY SGT. CARTER:

25

Q MR. COOLEY, YOU'VE TESTIFIED THAT A PERSON NAMED

1 JERRY ARMSTRONG COMMITTED SEVERAL CRIMES, AND THOSE CRIMES
2 ARE --

3 A I DIDN'T HEAR WHAT YOU SAID. HAS COMMITTED CRIMES
4 AND WHAT?

5 Q SEVERAL CRIMES, AND THOSE CRIMES ARE DEPICTED ON
6 THOSE TAPES THAT WE JUST VIEWED; IS THAT CORRECT?

7 A YES, SIR, THAT'S CORRECT.

8 Q HAVE ANY CHARGES BEEN FILED BY THE CHURCH OF
9 SCIENTOLOGY AS AN ORGANIZATION AGAINST MR. JERRY ARMSTRONG
10 REGARDING THOSE TAPES?

11 A YES, SIR. THE CHARGES HAVE BEEN FILED WITH THE
12 DISTRICT ATTORNEY OF THIS COUNTY AND ARE BEING INVESTIGATED THIS
13 VERY MINUTE.

14 Q DO YOU KNOW THE DISTRICT ATTORNEY THAT'S HANDLING
15 IT?

16 A I KNOW IT WENT TO REINER.

17 MR. HORN: I BELIEVE IT'S MR. JURGENSON WHO WAS ASSIGNED
18 THAT.

19 BY SGT. CARTER:

20 Q AND CHARGES HAVE BEEN FILED?

21 A A COMPLAINT WAS FILED WITH THE DISTRICT ATTORNEY.

22 SGT. CARTER: FOR THE RECORD, NO FORMAL CHARGE HAS COME
23 FROM THE DISTRICT ATTORNEY'S OFFICE. A COMPLAINT HAS NOT BEEN
24 FILED OR AN INDICTMENT BEEN SOUGHT, TO MY KNOWLEDGE.

25 THE WITNESS: I MIGHT ADD THAT ADDITIONAL MATERIAL WENT

1 TO HIM LAST WEEK, WHICH HE'S IN THE PROCESS OF REVIEWING.
2 BY SGT. CARTER:

3 Q WE'RE TALKING ABOUT SPECIFIC CRIMES CONTAINED
4 WITHIN THE TAPE WE JUST SAW?

5 A YES, SIR.

6 Q WHEN WAS THAT DONE?

7 A I CAN'T -- I DON'T KNOW THE EXACT DATE WHEN IT WENT
8 TO HIM; THERE WERE TWO SUBMISSIONS TO HIM, AN INITIAL SUBMISION
9 AND HE CALLED FOR ADDITIONAL MATERIAL, AND ADDITIONAL MATERIAL
10 WENT TO HIM LAST WEEK.

11 Q APPROXIMATELY HOW LONG AGO?

12 A I WOULD SAY A MONTH OR MORE.

13 Q SO THAT WOULD HAVE BEEN IN SEPTEMBER?

14 A WE CAN FURNISH YOU WITH THE EXACT DATE. I'LL BE
15 HAPPY TO DO THAT. I WON'T GUESS AT THE DATE OF THE LETTER.

16 Q APPROXIMATELY?

17 A IT WAS THIS SUMMER SOMETIME, AND I DON'T KNOW
18 EXACTLY WHEN.

19 A I DIDN'T -- I WAS WRAPPED UP WITH THE PORTLAND CASE
20 UNTIL WE GOT THE MISTRIAL ON THE 16TH OF JULY, SO I HAD ONLY
21 THAT ON MY MIND UP TO THAT POINT. PERHAPS IT'S BEEN FURNISHED.

22 MR. HORN: POINT OF CLARIFICATION. MAY I SHOW THE
23 PURPORTED LETTER TO MR. COOLEY, AND THAT MIGHT REFRESH HIS
24 RECOLLECTION?

25 SGT. CARTER: SURE.

1 THE WITNESS: IS THIS THE REINER COMPLAINT?

2 MR. HORN: YES.

3 THE WITNESS: JULY 19TH, 1985, IT CAME THREE DAYS AFTER
4 WE SUCCEEDED IN GETTING A MISTRIAL ON THAT PORTLAND, OREGON
5 CASE.

6 CAPTAIN DOCHERTY: WHAT WAS THE PORTLAND, OREGON CASE?

7 THE WITNESS: THIS WAS THE CASE IN WHICH THE TAPES WERE
8 PLAYED AND IN WHICH THEY WENT INTO EVIDENCE, WHICH RESULTED IN
9 ALL THIS FLAP THAT'S HAPPENED SINCE.

10 IT WAS THE CASE OF KRISTOFERSON VERSUS THE CHURCH
11 OF SCIENTOLOGY OF CALIFORNIA.

12 BY SGT. CARTER:

13 Q THERE'S BEEN A LOT OF DISCUSSION DURING THE TRIAL
14 BOARD THAT OFFICER ARMSTRONG -- I'M SORRY -- OFFICER
15 RODRIGUEZ --

16 A WELL, HE IS AN OFFICER OF THE C.I.D.

17 Q WHICH ONE, OFFICER RODRIGUEZ OR ARMSTRONG?

18 A ARMSTRONG. THE FEDERAL GOVERNMENT HAS NEVER DENIED
19 HE'S AN AGENT, AND I THINK THE TAPES CLEARLY DISCLOSE IT IN
20 SUBSEQUENT MEETINGS.

21 Q THAT'S NOT MY QUESTION.

22 A YOU DIDN'T APPLY A MISNOMER TO HIM, BELIEVE ME. GO
23 AHEAD.

24 Q THANK YOU.

25 THERE'S BEEN A LOT OF DISCUSSION REGARDING OFFICER

1 RODRIGUEZ' CONDUCT IN AUTHORIZING GENE INGRAM TO CONDUCT THIS
2 COVERT SURVEILLANCE WITH ELECTRONIC DEVICES, AND THERE'S BEEN A
3 LOT OF DISCUSSION REGARDING GENE INGRAM HAVING THAT RIGHT AS A
4 PRIVATE CITIZEN UNDER 633.5 OF THE PENAL CODE TO CONDUCT THAT
5 COVERT OPERATION WITHOUT POLICE AUTHORIZATION.

6 SINCE YOU HAVE SPECIFIC KNOWLEDGE REGARDING THE
7 COVERT OPERATION AND THINGS WHICH OCCURRED IN IT, WHY WAS IT
8 NECESSARY TO OBTAIN OFFICER RODRIGUEZ' AUTHORIZATION FOR
9 MR. INGRAM?

10 MR. HORN: EXCUSE ME. I'LL OBJECT BECAUSE THIS WITNESS
11 WOULD NOT HAVE BEEN PERCIPIENT TO THE DECISION OF MR. INGRAM IN
12 TERMS OF ASKING OFFICER RODRIGUEZ TO AUTHORIZE THE TAPING.

13 THERE'S BEEN NO FOUNDATION LAID THAT, IN FACT,
14 MR. COOLEY WAS AWARE THAT MR. INGRAM WAS DOING THIS OR DIRECTED
15 HIM TO DO THIS OR IN ANY WAY HAD ANYTHING TO DO ABOUT OR EVEN
16 HEARD ABOUT IT UNTIL SOMETIME MUCH SUBSEQUENT TO THE ACTUAL
17 EVENT.

18 SO I DON'T THINK IT'S COMPETENT EVIDENCE.

19 CAPTAIN DOCHERTY: WERE YOU INVOLVED WITH MR. INGRAM
20 PRIOR TO THIS TAPING?

21 THE WITNESS: NO, I WASN'T.

22 CAPTAIN DOCHERTY: ALL RIGHT.

23 THE WITNESS: I WAS, HOWEVER, INVOLVED WITH THE CHURCH OF
24 SCIENTOLOGY. I WOULD SUSPECT THAT ANYONE REPRESENTING -- AN
25 ATTORNEY FOR THE CHURCH OF SCIENTOLOGY WOULD BE SOMEWHAT

1 RELUCTANT TO GO TO THE TOP ECHELONS OF THE LOS ANGELES POLICE
2 DEPARTMENT, HAVING HAD A SINGULAR LACK OF SUCCESS IN DOING THAT
3 IN THE PAST, PARTICULARLY WHEN ARMSTRONG STOLE THE ORIGINAL
4 DOCUMENTS BELONGING TO L. RON HUBBARD.

5 THE VEHICLE OF THE LOS ANGELES POLICE DEPARTMENT
6 HAD ECHELONS THAT WERE ATTEMPTED WITH MUCH UNSUCCESS (SIC). IT
7 JUST DIDN'T -- NOTHING HAPPENED, AND ARMSTRONG STOLE THOSE
8 DOCUMENTS, AND LATER ON IN THE LITIGATION BETWEEN THE CHURCH AND
9 ARMSTRONG, THE JUDGE, WHILE HE FOUND A NUMBER OF OTHER FACTS,
10 ALSO FOUND THAT THOSE DOCUMENTS WERE CONVERTED, IN THE LANGUAGE
11 OF CIVIL LAW, WHICH IS THEFT IN THE LANGUAGE OF
12 THE CRIMINAL LAW.

13 BUT IN ANY EVENT, I UNDERSTAND THAT OFFICER
14 RODRIGUEZ WAS STATIONED IN THE DISTRICT THAT WAS INVOLVED WITH
15 THE SURVEILLANCE. AND INGRAM HIMSELF, I UNDERSTAND, HAS HAD A
16 BACKGROUND WITH THE DEPARTMENT, THAT INDICATES THAT ALTHOUGH HE
17 WAS FOUND NOT GUILTY OF EVERYTHING HE WAS CHARGED WITH, AS CHIEF
18 GATES SAID, WE WOULDN'T COOPERATE WITH HIM UNDER ANY
19 CIRCUMSTANCES," IN A PRESS CONFERENCE ON APRIL 23RD, BEFORE THIS
20 BOARD WAS EVEN CONVENED.

21 SO IT SEEMS TO ME THAT THAT PREJUDGMENT WOULD
22 INDICATE SOME WISDOM ON THE PART OF MR. INGRAM IN OBTAINING THE
23 ASSISTANCE OF A POLICE OFFICER WHO IS CHARGED UNDER SECTION 633
24 WITH THE RESPONSIBILITY, IT SEEMS TO ME, OF ENFORCING THE LAW,
25 AND GIVES HIM THE POWER TO DO IT UNDER THAT STATUTE. AND

1 FURTHERMORE, WHEN YOU'RE DEALING WITH THE CRIME OF EXTORTION, IT
2 WAS PROBABLY AN UNNECESSARY ACT TO BEGIN WITH.

3 CAPTAIN DOCHERTY: I BELIEVE THAT WAS WHAT THE QUESTION
4 WAS IN THE FIRST PLACE.

5 SGT. CARTER: THANK YOU, MR. COOLEY.

6 MR. HORN: I DIDN'T UNDERSTAND THE IMPORT OF THE
7 QUESTION, ALTHOUGH THE ANSWER WAS ILLUMINATING FOR WHATEVER
8 QUESTION WAS ASKED.

9 BUT LET ME INTERPOSE AN OBJECTION AT THIS TIME TO
10 ANY CONTINUATION OF THIS LINE OF QUESTIONING, BECAUSE IT'S
11 APPARENT THAT WHILE MR. COOLEY IS EXTREMELY KNOWLEDGEABLE, HE
12 DOESN'T HAVE PERSONAL KNOWLEDGE OF THE FACTS THAT TRANSPIRED
13 BETWEEN OFFICER RODRIGUEZ AND MR. INGRAM, AND THEREFORE, COULD
14 NOT GIVE THIS COURT COMPETENT EVIDENCE.

15 THE WITNESS: I WASN'T THERE. I CAN TELL YOU THAT.

16 CAPTAIN DOCHERTY: ARE YOU AWARE IN ANY WAY, SHAPE OR
17 FORM THROUGH BEING AN ATTORNEY, WITHOUT VIOLATING ANY
18 ATTORNEY-CLIENT PRIVILEGE, OF COURSE, THAT INGRAM WAS GIVEN
19 DIRECTION BY, I WOULD ASSUME, A LEGAL STAFF --

20 THE WITNESS: MY UNDERSTANDING IS INGRAM HAS ADVICE OF
21 COUNSEL AND AN INTERPRETATION OF SECTION 633 OF THE CODE.

22 CAPTAIN DOCHERTY: BY THE CHURCH?

23 THE WITNESS: BY COUNSEL. I DON'T KNOW WHO. HE DIDN'T
24 CONSULT ME. BUT IF HE HAD, I WOULD HAVE TOLD HIM THAT WHAT HE
25 WAS DOING WAS PERFECTLY LAWFUL AND WHAT OFFICER RODRIGUEZ WAS

1 DOING WAS PERFECTLY LAWFUL, BUT HE DIDN'T CONSULT ME, BUT I
2 UNDERSTAND HE DID OBTAIN THAT OPINION ELSEWHERE.
3 BY SGT. CARTER:

4 Q MR. COOLEY --

5 CAPTAIN DOCHERTY: IF MR. COOLEY WAS NOT INVOLVED AND WAS
6 NOT PRIVY TO THAT CONVERSATION, THEN I DON'T THINK IT WOULD BE
7 PERTINENT TO ASK HIM QUESTIONS REGARDING -- WHAT'S HIS NAME --
8 INGRAM'S CONDUCT. HE DIDN'T BECOME AWARE OF IT UNTIL
9 SUBSEQUENT.

10 SGT. CARTER: YES, MR CHAIRMAN. I WAS SPEAKING MORE TO
11 OFFICER RODRIGUEZ RATHER THAN TO INGRAM.

12 CAPTAIN DOCHERTY: I DON'T --

13 THE WITNESS: I WASN'T AROUND AT THAT TIME.

14 CAPTAIN DOCHERTY: FROM RODRIGUEZ EITHER.

15 THE WITNESS: I'D BE HAPPY TO GIVE YOU MY VIEWS OF THE
16 STATUTE, BUT I DON'T THINK YOU WANT THEM.

17 BY SGT. CARTER:

18 Q WHAT WERE THE DATES OF THE TRIAL THAT YOU REFERRED
19 TO, KRISTOFERSON VERSUS CHURCH OF SCIENTOLOGY?

20 A STARTED THE CASE ON MARCH THE 4TH, 1985, AND WE
21 CONCLUDED THAT CASE ON MAY THE 17TH, 1985, WITH A JURY VERDICT
22 THEREAFTER. POST-TRIAL MOTIONS OCCUPIED THE COURT'S TIME UNTIL
23 JULY THE 16TH, AT WHICH TIME THE COURT DECLARED A MISTRIAL, AND
24 THE VERDICT BECAME NULL AND VOID.

25 Q DURING THE PERIOD OF MARCH 4TH TO MAY 17TH, I

1 BELIEVE THAT WAS 1985, CORRECT?

2 A YES, SIR.

3 Q WHAT POINT DID THE TAPES THAT WERE SURREPTITIOUSLY
4 TAKEN BY MR. INGRAM -- AT WHAT POINT WERE THEY FIRST BROUGHT
5 PUBLIC, SO TO SPEAK?

6 A I DON'T RECALL THE DATE ON WHICH I OFFERED THOSE IN
7 EVIDENCE. I THINK IT WAS IN APRIL SOMETIME. IT WAS WHILE
8 ARMSTRONG WAS ON THE STAND AS A WITNESS, AND I WANTED TO USE
9 THOSE TAPES TO CROSS-EXAMINE HIM.

10 THE RECORD SHOWS WHAT THOSE DATES WERE. I CAN
11 PROVIDE THEM EASILY ENOUGH.

12 Q , THE TAPE WE JUST VIEWED IN THE ANTEROOM, WHO
13 PREPARED THAT TAPE?

14 A I DON'T KNOW WHO PREPARED THAT EXCERPT THAT I JUST
15 SAW. IT CLEARLY IS AN EXCERPT FROM THE TAPES THAT WERE PLAYED
16 IN THE COURTROOM. BUT I DON'T KNOW WHO PREPARED IT.

17 I UNDERSTAND FROM SERGEANT HERNANDEZ THAT IT WAS
18 TURNED OVER TO HIM BY THE LOS ANGELES POLICE DEPARTMENT. I
19 DON'T KNOW WHERE THE L.A.P.D. GOT IT. I DO KNOW THAT THE C.I.D.
20 WITH THE UNITED STATES ATTORNEY FOR THE DISTRICT IN PORTLAND
21 CAME UP AND GOT FULL COPIES OF THE TAPES AND HAD THEM MADE AND
22 TOOK THEM BACK TO LOS ANGELES.

23 Q YOU'RE TALKING ABOUT THE TAPES THAT WERE INTRODUCED
24 AT THE KRISTOFERSON VERSUS CHURCH OF SCIENTOLOGY?

25 A YES, IN THEIR ENTIRETY, YES.

1 Q DO YOU KNOW HOW INGRAM MADE THE TAPES?

2 A NO, I UNDERSTAND HE WAS IN A VAN ACROSS THE STREET
3 SOMEWHERE AND FILMING AND JOEY HAD A BODY WIRE.

4 Q HAD A BODY WIRE ON?

5 A YES.

6 SGT. CARTER: I HAVE NO FURTHER QUESTIONS.

7

8 REDIRECT-EXAMINATION

9 BY MR. HORN:

10 Q I'D LIKE TO REOPEN BRIEFLY, MR. COOLEY, BECAUSE AS
11 A PRE-EMINENT COUNSEL IN THE UNITED STATES AND BEING LICENSED TO
12 PRACTICE LAW IN SEVERAL STATES, I PRESUME, AND ALSO BEING
13 ADMITTED TO MANY FEDERAL COURTS THROUGHOUT THE UNITED STATES, I
14 WOULD LIKE YOUR OPINION OF THE STATUTES HERE IN QUESTION,
15 PARTICULARLY 633 AND 633.5 OF THE CALIFORNIA PENAL CODE.

16 A IT SEEMS TO ME THAT THE LEGISLATURE OF CALIFORNIA
17 HAS CONFERRED NOT ONLY UPON A POLICE OFFICER OF THE LOS ANGELES
18 POLICE DEPARTMENT BUT, INDEED, IT TALKS ABOUT AN OFFICER OF THE
19 CALIFORNIA HIGHWAY PATROL WHO WAS BASICALLY INVOLVED IN TRAFFIC
20 WORK.

21 AS FAR AS I CAN SEE, ANY SHERIFF, ANY DEPUTY, ANY
22 POLICE OFFICER, NOT OF ANY SPECIFIC OR SPECIFIED RANK, THE POWER
23 AND THE AUTHORITY TO UTILIZE THE ELECTRONIC SURVEILLANCE
24 AUTHORIZED BY THAT STATUTE -- I HAVE SOME FAMILIARITY WITH THE
25 BASIC STATUTE, THE FEDERAL STATUTE, TITLE III, WHICH HAS TO

1 SERVE AS THE FRAMEWORK IN WHICH WE LOOK AT ALL STATE STATUTES
2 SINCE THE CONGRESS PERMITTED THE STATES TO ENACT MORE
3 RESTRICTIVE LEGISLATION, BUT DID NOT ALLOW THEM TO ENACT MORE
4 LIBERAL LEGISLATION.

5 THE CALIFORNIA STATUTE PATTERNS MANY STATE STATUTES
6 WHICH WERE ENACTED AFTER CONGRESS ENACTED TITLE III, THAT
7 STATUTE WHERE EXTORTION IS INVOLVED. YOU DON'T -- ONE PARTY
8 CONSENT IS NO PROBLEM.

9 WHERE YOU HAVE THE SECTION 633 INVOLVED, IT SAYS,
10 ANY POLICEMAN, ANY POLICE OFFICER, ANY OFFICER OF THE CALIFORNIA
11 HIGHWAY PATROL -- IT DOESN'T TALK ABOUT SERGEANTS AND
12 LIEUTENANTS OR CAPTAINS. IT TALKS ABOUT POLICE OFFICERS DOING
13 THEIR JOB, WHICH I THINK MR. RODRIGUEZ DID.

14 AND MY PROBLEM IS, I DON'T SEE HOW WHAT THE
15 LEGISLATURE GIVES CAN BE TAKEN AWAY BY INTERNAL REGULATION.

16 I THINK THE LEGISLATURE IMPOSED NOT ONLY THE POWER
17 BUT THE DUTY AND RESPONSIBILITY ON ANY POLICE OFFICER TO
18 INVESTIGATE CRIME THROUGH THE USE OF ELECTRONIC SURVEILLANCE
19 WHEREVER HE HAD REASON TO BELIEVE THAT A CRIME WAS BEING
20 CONTEMPLATED OR COMMITTED.

21 I THINK THE PROOF OF THIS PUDDING IS IN THE EATING,
22 ON THE TAPES AND ON THE TRANSCRIPTS. THE CRIMES WERE AS
23 REPRESENTED. IF YOU LOOK AT THE LETTER OF AUTHORIZATION SIGNED
24 BY OFFICER RODRIGUEZ, IT SEEMS TO ME THAT EVERY ONE OF THOSE
25 CRIMES WAS UNCOVERED, AND THAT ITS INVESTIGATION, IF YOU WILL

1 ALLOW ME, OUGHT TO BE FOCUSED ON THE CRIMINALS, WHO ARE THE ONES
2 WHO HAVE BROUGHT ABOUT THIS HEARING THROUGH A COMPLAINT ON THE
3 PART OF MICHAEL FLYNN WHO HIMSELF IS BEING INVESTIGATED BY A
4 GRAND JURY, THE FEDERAL GRAND JURY IN THE CITY OF BOSTON RIGHT
5 NOW, AS WELL AS MR. ARMSTRONG AND OTHERS THAT WERE INVOLVED IN
6 THE TWO MILLION DOLLAR CHECK FORGERY WHICH IS TALKED ABOUT ON
7 THOSE TAPES AND IS PART OF THE COVERUP THAT IS ATTEMPTED BY
8 PHONY DOCUMENTS BEING PLANTED IN THE FILES OF THE CHURCH.

9 OFFICER RODRIGUEZ DID, IT SEEMS TO ME, WITH GREAT
10 HONOR, DO WHAT THE STATUTE PERMITTED HIM TO DO. AND WHEN THE
11 PEOPLE WHOSE CRIMES ARE DISCLOSED ON THE TAPES ARE ABLE TO
12 SUMMON OFFICER RODRIGUEZ BEFORE A BOARD OF INQUIRY OF THIS
13 NATURE, IT SEEMS TO BE THE INMATES ARE RUNNING THE ASYLUM, AND
14 IT SEEMS TO ME THAT IS A GROSS MISEMPHASIZE OF WHAT SHOULD BE
15 APPROPRIATE.

16 I THINK THAT OFFICER RODRIGUEZ PERFORMED UNDER THE
17 STATUTE LAWFULLY AND IN THE FINEST OF TRADITIONS OF LAW
18 ENFORCEMENT.

19 MR. HORN: I HAVE NOTHING FURTHER.

20 CAPTAIN DOCHERTY: I FIND IT REFRESHING TO HAVE AN
21 ATTORNEY COMMENT THAT THE POLICE DEPARTMENT IS EXERCISING TOO
22 MUCH CONTROL AND CONDEMN CRIMINALS. HOWEVER, I APPRECIATE YOUR
23 REMARKS, SIR.

24 THE WITNESS: THANK YOU VERY MUCH.

25 SGT. CARTER: MR. CHAIRMAN, THE DEPARTMENT WOULD MOVE TO

1 HAVE THE TRANSCRIPTS, AS WERE DISCUSSED AS WE WERE VIEWING THE
2 TAPE TO THE UNEDITED TAPES, BE INTRODUCED AS DEPARTMENT'S 6 AND
3 DEPARTMENT'S 7.

4 MR. HORN: NOT BEING IN A POSITION TO DEPRIVE THE COURT
5 OF SOME LIGHT READING OVER THE WEEKEND, I WILL HAVE NO OBJECTION
6 TO THAT MOTION.

7 (DEPARTMENT'S EXHIBITS 6 AND 7 WERE
8 MARKED FOR IDENTIFICATION BY THE CHAIRMAN
9 AND RECEIVED IN EVIDENCE.)

10 CAPTAIN DOCHERTY: THE EXHIBITS HAVE BEEN ACCEPTED.

11 DO YOU HAVE ANYTHING ELSE BEFORE WE ADJOURN?

12 SGT. CARTER: NO.

13 CAPTAIN DOCHERTY: WOULD IT BE AN IMPOSITION ON COUNSEL
14 IF WE WERE TO START AT 8:30 IN THE MORNING TO MAKE SURE WE GET
15 THROUGH?

16 MR. HORN: FINE WITH ME.

17 SGT. HERNANDEZ: NO PROBLEM.

18 CAPTAIN DOCHERTY: LEE, WOULD 8:30 IN THE MORNING BE ALL
19 RIGHT?

20 SGT. CARTER: 7:00 WOULD BE FINE WITH ME.

21 CAPTAIN DOCHERTY: I KNOW HOW FAR YOU TRAVEL.

22 SGT. CARTER: NO, 8:30 IS FINE.

23 CAPTAIN DOCHERTY: OKAY. THE BOARD WILL RECESS NOW AND
24 RECONVENE NEXT WEDNESDAY, WHICH IS OCTOBER 9TH, 1985 AT 8:30 IN
25 THE MORNING.

(HEARING ADJOURNED AT 5:45 P.M.)

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FREEDOM

ISSUE 61

THE INDEPENDENT JOURNAL PUBLISHED BY THE CHURCH OF SCIENTOLOGY®

INSIDE:

A special 8-page supplement in which **FREEDOM** tracks the criminal nether world activities of Boston lawyer Michael Flynn through the detailed testimony of two participants in Flynn's bizarre attempt to forge and pass a \$2 million check.
See page 5

The Small Business Administration scrutinizes circumstances surrounding a \$250,000 government-backed loan for Kevin Flynn's Blossoms restaurant in Washington, D.C.
See page 13

BOSTON ATTORNEYS LINKED TO UNDERWORLD IN PLOT TO LOOT HUBBARD ESTATE



Boston lawyer Michael Flynn, according to sworn eyewitness statements and other evidence now in the hands of federal investigators, hired a forger to pass a counterfeit \$2 million check.

BOSTON — Two Boston attorneys with ties to organized crime tried to loot the personal estate of *New York Times* list best-selling author L. Ron Hubbard and blame it on the Church of Scientology, according to documents released by Church President Heber Jentzsch and Los Angeles private investigator Gene Ingram.

The conspiracy hinged on a counterfeit \$2 million check drawn on Hubbard's account at the Bank of New England and later used in the sensationalized Riverside, Calif., probate case in an abortive attempt to seize control of the legendary writer's estate. Hubbard's business managers stopped payment on the check before it was cashed.

According to documented eyewitness accounts filed in a Los Angeles Federal District Court, Boston attorneys Michael Flynn and Wayne Hollingsworth continued on page 3

FAMCO: Anatomy of a Conspiracy

by Stacy Young

On August 28, 1980, a bizarre and sinister twist was added to the old "get rich quick" idea when Flynn Associates Management Corporation (FAMCO) was chartered in the Commonwealth of Massachusetts.

FAMCO's incorporation marked the birth of an organization which would figure prominently in the criminal conspiracy described in this issue's lead article.

Prior to FAMCO's incorporation, Michael J. Flynn had a very rocky career as a personal injury attorney. Two of the cases early in his law practice serve as examples of his competence.

In 1973, Flynn's client in a much-publicized case of fraud and bank failure pleaded guilty and

was sentenced to six years in prison.

In another case which dragged on for approximately two years, Flynn's client was sentenced to prison for a year and a day and fined \$5,000.

FAMCO's First Client

The seeds of FAMCO were sown in June 1979 when Lavenda Van Schaick, a former parishioner of the Church of Scientology, made contact with Flynn, apparently hoping he could help her make some money from her former connection with the Church.

Flynn did some research into the Church of Scientology to determine if it would be worth his while to take her case.

Apparently impressed with

what he discovered regarding the Church's assets, he began to formulate the scheme that would later become FAMCO.

Flynn filed a "class action" suit on behalf of Ms. Van Schaick in December 1979. Ms. Van Schaick was the only member of the "class."

Method to His Madness

By promising a rapid rate of return of 200 to 400 per cent, Flynn was able to gather several other attorneys to help him with his anti-Scientology enterprise. By mid-1980, he and the other lawyers had filed 27 more lawsuits, each virtually identical to the Van Schaick suit, but scattered across the country.

Legal experts have observed that it was highly improper and an

abuse of the judicial process for such suits to have been filed separately.

The method to Flynn's madness, however, would soon become clear.

Flynn's associate, Thomas Hoffman, assisted him in filing multiple suits. Within short order, they had it down to an exact science.

Money to Make Money

It takes money to make money, as the saying goes, and Michael J. Flynn needed more to continue his litigation.

FAMCO was the answer.

The new corporation was a family affair. The incorporators and officers of FAMCO were Kevin Flynn (Michael's brother), continued on page 13

FREEDOM: LIBERTY — FRANKNESS — OUTSPOKENNESS THE RIGHT OF THE INDIVIDUAL OR THE GROUP TO BE, TO DO, TO HAVE, FREEDOM FROM, FREEDOM TO

DOCUMENTING THE CONSPIRACY

This issue unmask and documents a criminal conspiracy.

The principal conspirator, Boston lawyer Michael J. Flynn, has been named and described by two of his co-conspirators in their unsuccessful attempt to pass a forged \$2 million check.

In a special eight-page pull-out supplement, **FREEDOM** presents the detailed sworn statements of these prime participants in the conspiracy.

One of them is the full text, with certain key names deleted, of the 29-page declaration of Ala Fadili Al Tamimi, the forger hired by Flynn for the job.

The other statement is from co-conspirator Akil Abdul Amir Al Fadili Al Tamimi, who attempted to pass the forged check at the Middle East Bank in New York City in June 1982. The full text of Akil's 12-page declaration is also reproduced in the supplement.

Attorney Flynn compounded his felonies by introducing the matter of the forged check as "evidence" in the Riverside, California, Superior Court probate case brought in November 1982 by Ronald DeWulf, the estranged, disinherited son of Scientology founder and best-selling author L. Ron Hubbard.

Flynn argued that the incident of the forgery — the crime for which Flynn himself was responsible — was evidence that the Hub-

bard estate was not being properly looked after.

Painstaking research over many months, in which the editors of **FREEDOM** played a vital role, have brought the truth of the forgery finally to light.

In their research, **FREEDOM** investigators discovered the truth of the statement that the criminal accuses others of things which he himself is doing.

Michael J. Flynn loudly accused others of forging the \$2 million check. Investigation revealed that Flynn himself was behind this plot, seeking to put the spotlight

"Michael J. Flynn loudly accused others of forging the \$2 million check. Investigation revealed that Flynn himself was behind this plot, seeking to put the spotlight on others for his own crime."

on others for his own crime.

Criminal acts by a criminal in our society are reprehensible enough. Criminal acts by an attorney, who has sworn to uphold the law, and who is indeed an officer of the court, are the lowest crimes imaginable. These crimes are vile betrayals of society.

Michael J. Flynn appears to be, by sworn testimony, a criminal. The evidence presented in this issue is but a small portion of the evidence **FREEDOM** has gathered on Flynn's criminal activities. In future issues, more of this information will be revealed. A

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FORGERY

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spired with Boston underworld figures to counterfeit and pass the check two years ago. Flynn subsequently used his own felony to initiate the sensationalized 1982 probate case brought by Hubbard's estranged son Ronald E. DeWolf in Riverside. Flynn argued that the attempted forgery was proof that the best-selling author's estate was in jeopardy and should be seized. Flynn blamed the Scientologists "to divert attention from himself," the documents state.

The attempt failed, however, when the court threw Flynn's case out and ordered DeWolf, a 50-year-old Nevada apartment house manager, to pay costs. Flynn was found in contempt of court and fined during the proceedings for violating court instructions.

"Common Criminals"

To finance his attack, Flynn created Flynn Associates Management Corporation (FAMCO). He tried to sell shares on the promise that profit would be made by capturing Hubbard's estate through a series of frivolous suits, and by generating so much "adverse publicity" against Scientology and Hubbard that the Church would be forced to settle for millions of dollars. The forgery and probate scheme was but one part of Flynn's conspiracy, details of which are now in the hands of several federal agencies.

Investigator Ingram, along with a team of other private detectives, was hired to find those responsible for the forgery.

According to the declaration filed in federal court, recently uncovered evidence reveals the "evil motivation" of FAMCO and its agents and the "common criminals engaged in a vicious attack upon freedom of religion."

The plot was revealed in papers filed in a suit brought against Flynn's brother Kevin and

FAMCO in Los Angeles Central District Court for violating the civil rights of Scientologist Steve Miller of Los Angeles. Michael Flynn is an officer and director of FAMCO.

After gaining access to the Bank of New England where Hubbard had an account, Flynn illegally obtained sample checks and then hired Ala Tamimi, a known forger, to counterfeit and forge a \$2 million check on Hubbard's account at the Bank of New England in Boston.

The same Bank of New England is currently the center of another \$2 million forgery case. A contact inside the bank allegedly made confidential information available to a disbarred Boston area attorney who fraudulently purchased gems from a Chicago dealer with the stolen cash.

Flynn Promised \$400,000

In a signed, fingerprinted and notarized declaration given in Italy to Ingram and witnessed by his attorney, Ala Tamimi related how Flynn had promised him \$400,000 to pass the check and transfer the \$2 million from the account of the legendary writer to an overseas account that Flynn would later designate. Tamimi then used his brother Akil to try to deposit the forged check in a New York bank.

According to his own sworn statement, also in federal hands, Akil was very nervous during his visit to the bank, failed to produce proper identification papers, and left the \$2 million check at the bank.

Plot Thwarted

Flynn's plot was thwarted when Akil panicked and failed to return. Meanwhile, Hubbard's business managers in Los Angeles learned about the check and quickly alerted the bank to stop payment. Ala Tamimi fled the country while his brother Akil disappeared into



Flynn allegedly used his own felony to initiate a sensationalized probate case.

Maine with the help of one of Flynn's men, according to the filed affidavit.

Flynn later used the results of his abortive plan when he filed the California probate petition with DeWolf in 1982. Flynn tried to put the blame for his felony on Scientologists and claimed that the

crime proved that Hubbard's estate should be seized by the court in order to allegedly protect it from Scientologists.

According to Rev. Jentzsch, the affidavits "are but one small part of the evidence collected. We have eyewitnesses, documents and

continued on page 4

"Tamimi related how Flynn had promised him \$400,000 to pass the check and transfer the \$2 million . . . to an overseas account that Flynn would later designate."

FORGERY

continued from page 3

photographs that leave not one shred of doubt."

Attempt to Block Discovery

The declaration was filed in response to an attempt by Flynn's brother Kevin to halt a court-approved inquiry into the financial transactions of FAMCO and Blossoms, a Washington, D.C., restaurant owned by Kevin Flynn. Miller's attorney Donald Randolph stated in his declaration that Kevin Flynn's motives in "seeking to prevent discovery of his fraudulent and criminal activities" were "transparent and understandable. He does not wish to have this information discovered as it may well subject him to severe penalties."

According to the filed declaration, Kevin Flynn illegally obtained a loan from the Small Business Administration "with fraudulent misrepresentations and misleading information designed to prevent the government agencies involved from obtaining the truth" about the restaurant and his activities with Michael Flynn.

\$100,000 Reward

The investigation of the criminal conspiracy to loot Hubbard's estate was initiated earlier this year with a series of full-page ads placed by Ingram in a number of national newspapers including

The New York Times, *The Boston Globe* and *The Wall Street Journal* offering a \$100,000 reward for information about the forged check. Private investigators operating in four countries finally uncovered Flynn's conspiracy.

Flynn, an unknown personal injury attorney until he tapped Hubbard's popularity, had earlier demanded that the Church pay him \$1.6 million to stop suing the organization. When the Church refused to pay, Flynn devised and carried out the forgery and probable plot to plunder Hubbard's estate.

Ala Tamimi's participation in the conspiracy was enlisted by

Boston lawyer Wayne Hollingsworth, who works with Flynn. According to Tamimi's sworn declaration, he was at the office of his attorney, Gary Pappas, at Union Wharf, where Flynn also works, when he met Hollingsworth.

According to Tamimi, Hollingsworth said he had worked for the FBI and had "many friends in the federal government" and "knew all the FBI agents in Boston." Hollingsworth related how Tamimi's other brother Amer had incurred a \$40,000 gambling debt to underworld figures in Boston several weeks before and had not repaid any of it.

"They Can Break His Legs"

"The boys in town are very mad and they can break his legs," Hollingsworth told Tamimi, according to the declaration.

In return for his help, Tamimi was told, his brother's debt would be cancelled. Additionally, Tamimi stood to gain 20 per cent of a "deal" which Hollingsworth said would be worth \$2 million or more.

After a meeting at a small restaurant at a motel on Boylston Street where further arrangements were made, Tamimi met Flynn for breakfast at the Colonnade Hotel. Three other men were present at the meeting, and

continued on page 15

"The boys in town are very mad and they can break his legs,' Hollingsworth told Tamimi."

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FREEDOM

SPECIAL SUPPLEMENT

Co-conspirators Finger Flynn in \$2 Million Forgery Scheme

The affidavits which appear on the following pages reveal a cold-blooded criminal conspiracy, complicity with organized crime and felonious conduct by members of the legal profession.

They have been reproduced verbatim in this special **FREEDOM** supplement to provide a sample of evidence already gathered in ongoing investigations of criminal activities. This information is now in the hands of federal investigators.

Ala Fadili Al Tamimi was hired by Michael J. Flynn to forge checks and to locate someone to open a fraudulent bank account in New York City.

Akil Abdul Amir Al Fadili Al Tamimi, Ala's brother, was selected by Ala to open the bank account with the forged checks.

The full text of both affidavits is reproduced here. Passages from the affidavits, arranged so they complement each other, are set in different typefaces for ease in distinguishing the two accounts. Nothing has been changed from the original, however, and the affidavits are in the sequence written by Ala and Akil.

Ala's statements are preceded by Ala:

Akil's statements are preceded by Akil:

Criminal conduct by attorneys, as detailed in the Tamimi brothers' statements, would be almost beyond belief were their statements not fully and explicitly corroborated by the affidavits of others involved, by photographs and by additional documentation.

As the documents are in the hands of federal prosecutors, certain names in the affidavits have been blocked out. For the purpose of authenticity, expletives that would not normally appear in **FREEDOM** have been retained.

Ala:
I, Ala Fadili Al Tamimi, declare under the penalty of perjury and under the laws of the United States of America and under the laws of the states of Massachusetts, New York, California, Florida, Oregon and Nevada that the foregoing is true and correct.

Sometime in March/April, 1982, I went to see my lawyer, Mr. Gary Pappas, at his office on Union Wharf in Boston, Massachusetts. I was welcomed by a woman receptionist on the first floor. She told me that Mr. Pappas was not in his office and that Mr. Pappas' secretary was out of the office having lunch.

The receptionist picked up the phone and told someone that I, Mr. Tamimi, was there. Mr. Wayne Hollingsworth came out into the reception area from his office and said, "Hello Ala." He shook my hand and invited me into his office. Mr. Hollingsworth and I went into his office. The secretary then brought us two cups of coffee. Mr. Hollingsworth introduced the receptionist as his wife, Mrs. Hollingsworth. I thanked her for the coffee.

Hollingsworth then started speaking about the possibility of someday doing business with me. It looked like he was waiting for me to say something.

Mr. Hollingsworth knew a lot about me. He told me about the problems I was having with my partner, Mr. Nick Abraham. He also knew about my dealings with Mr. Jurgens of West Germany. This shook me up because I didn't know if he still had an association with the FBI.

CASH RESERVE MANAG. ENT INC		DATE 4 JUN 1982 No. 612-0258132
TO THE ORDER OF		\$ 2,000,000.00
Two Million		\$ 00/100--DOLLARS
1834111350 L RON HUBBARD P O BOX 24152 TAMPA FL 33623		NEW ENGLAND MERCHANTS NATIONAL BANK BOSTON, MASSACHUSETTS President or Cashier
MICROFILMED BY: 0000-4527		

Mr. Hollingsworth is a lawyer. His partner was Mr. Pappas. Mr. Hollingsworth's office is on the ground floor and his wife is his secretary. Mr. Pappas and another lawyer, Danny Lenzo, and their secretary are on the second floor.

This was not the first time I met Mr. Hollingsworth. The first time we met was about three or four months before at the Liberty Bank and Trust Company. This bank is located on School Street in Boston, Massachusetts. Mr. Hollingsworth and Mr. Pappas were at the bank doing business. I also banked there. Mr. Pappas introduced Mr. Hollingsworth to me. After that first meeting, we had said hello to each other when I visited Mr. Pappas and Mr. Lenzo at the Union Wharf offices. Up to that time I had never been involved in any type of business with Mr. Hollingsworth.

Going back to the March/April, 1982, visit in Mr. Hollingsworth's office, Mr. Hollingsworth started asking me all kinds of questions about my business and the things that I had been doing; however, he never gave me a chance to speak. Mr. Hollingsworth then started telling me about himself. He said that he used to work for the FBI and the federal courts. He also said that he has many friends in the federal government. Mr.

Mr. Hollingsworth's phone rang. He answered it and told me that Danny Lenzo just returned to his office. As I began to leave and was shaking hands with Mr. Hollingsworth, he looked right into my eyes, with a small smile on his face, and asked, "How is your brother Amer?" I told him he was fine and asked him why he had asked and how he knew Amer. Mr. Hollingsworth told me that he didn't know Amer; however, his friends knew Amer, and that he and I should discuss Amer. I asked what was going on with Amer. Mr. Hollingsworth then told me to promise to never tell anyone, including Mr. Pappas, Mr. Lenzo, Amer and everyone else, what he was about to tell me. I promised this to him.

Mr. Hollingsworth then told me that my brother, Amer, had been sports gambling with big boys in town. Amer had won about \$80,000. But Amer lost about \$40,000 four weeks ago and has not yet paid the gambling debt. Thus, the boys in town are very mad and they can break his legs. Mr. Hollingsworth asked me if I understood him. Mr. Hollingsworth told me that maybe he could help and asked me to call him. We said good-bye and I left his office.

I then spent about ten minutes with Mr. Lenzo. I then used Mr. Lenzo's phone and called Amer. I told him I would pick him up.

Amer's full name is Amer Fadili Al Tamimi. At this time (1982), he was a student at Northeastern University in Boston, Massachusetts. He was living in the Fellview Terrace Apartments, Apartment Number 113, in Stoneham, Massachusetts. This building was owned by my older brother Adel Fadili Al Tamimi. Amer is presently (1984) living with my parents in Sharjah, United Arab Emirates.

I then drove in my Cadillac Seville and picked up Amer. We went to the Hilltop Restaurant in Saugus, Massachusetts. I questioned Amer about owing anyone \$40,000. Amer told me that he must pay \$40,000. Amer said that \$40,000 and his people have been after him for three weeks. Amer explained everything to me. Amer wanted to know how I knew about the gambling debt. I merely told him that I had found out. I didn't mention that Mr. Hollingsworth had told me.

I then used a pay phone at the restaurant and phoned Mr. Hollingsworth. I asked him if it was possible to meet that night over drinks. Mr. Hollingsworth said yes.

Later that day, at about 7:00 PM, I met Mr. Hollingsworth at a restaurant close to Union Wharf. I believe it's called "Josephs" or something similar. I walked in and he was standing at the bar. We shook hands. Mr. Hollingsworth bought me a drink and started telling me more about Amer and the \$40,000 gambling debt. I told Mr. Hollingsworth that I had spoken with Amer about

because he had to return to his office and meet his wife. Mr. Hollingsworth told me that it was possible that Amer wouldn't have to pay any money to \$40,000, not even one dollar, if I did some business with those boys in town. Mr. Hollingsworth told me that those boys knew me well and liked me, believe it or not. Mr. Hollingsworth stated that the "business" meant working with lawyers and classy people. He said I could make myself big money. Mr. Hollingsworth then told me, "As I told you before in my office, I know everything about you. You like to play and I have a nice game for you."

Mr. Hollingsworth said that he and his friends knew they could trust me. He asked if I was willing to do some business. He then said that he could arrange a meeting soon because the "game" must be done. Mr. Hollingsworth said that this was big money, more than the German deal. He asked if I knew what he meant. I told him to continue. I then asked him how much money he was speaking about and how much money would I receive. Mr. Hollingsworth told me the deal was for two or three million dollars and maybe even more. He said I would get 20% in my pocket. I asked Mr. Hollingsworth when the deal would happen and who was involved. Mr. Hollingsworth said the deal would take place in the USA and I would make good friends with the people I met. These people would also help me with my German problem with Mr. Jurgens. Mr. Hollingsworth also added that he could help me with my German problem because

gambling. I told Mr. Hollingsworth okay and thanks. I then asked what was to happen next. He told me to phone him at about 11:00 AM the next day. He said that he must first clear Amer's problem, and then he would tell me where to go to meet a friend. He said he would take it from there.

Mr. Hollingsworth told me that he had to leave. We both left the restaurant. I asked him if he needed a ride to his office and he said no thank you and I told him I would call him the next day.

The next morning, I called Mr. Hollingsworth at his office. He told me to go to Kenmore Square in Boston and meet \$40,000. \$40,000 would be sitting in a black Mercedes Benz sports car, parked in front of the Greek Restaurant. Mr. Hollingsworth told me that he would be at his office until 6:00 PM and told me to phone him later. He wished me luck and said goodbye.

At noon I drove to Kenmore Square, saw the black Mercedes Benz and pulled up behind it. \$40,000 driving the Mercedes Benz waved his hand, indicating I should follow him. I followed him. About five minutes later, he pulled into a small parking lot of a motel on Boylston Street. I parked my car next to him. We shook hands and he said hello Ala. He introduced himself as \$40,000.

\$40,000 and I walked into the small restaurant at the motel. We walked over to a gentleman dressed in a dark suit, having a cup of coffee. The man stood up and said, "So you are Ala." He said his name was \$40,000. \$40,000 said he knew my brother Amer. \$40,000 invited \$40,000 and I to sit with him at his table. We all drank coffee. \$40,000 told me that Amer was a nice boy and he liked him. \$40,000 told me not to worry about Amer and the \$40,000 gambling debt. \$40,000 said that I was his friend now and that Mr. Hollingsworth was a good friend of his who had spoken good things about me. \$40,000 continued talking and told me that he wanted to meet me and tell me personally that no one would bother Amer anymore. \$40,000 also said that Mr. Hollingsworth told him that I was going to join them for some business dealings. I told \$40,000 that was correct and that I was very happy to do business with him.

\$40,000 then asked me if I liked to make big money. I answered I sure did. I asked him the same question. \$40,000 told me that he wasn't joking. He said that there are big, nice and important people involved in what we were going to do. He said that if I work with them and do good, the deal was a real big one, coming very soon, that was in the millions of dollars. He asked if I knew what he meant. I told \$40,000 that he had lost me and that I didn't know what he was talking about. I asked him what it was that we were doing and what it was that I could do for him. \$40,000 said that it wasn't "we" it was "me" that was doing it and he knew that I would do the best.

I asked \$40,000 to tell me about the deal. \$40,000 said that the deal was between two and three million dollars in counterfeit checks. He told me that he would introduce me to another friend of his. This friend was a very good friend of his and Mr. Hollingsworth. The friend was also a lawyer with offices on Union Wharf, he told me. I asked \$40,000 for the friend's name. \$40,000 told me that I would meet him soon. I told him okay.

\$40,000 then told me that \$40,000 was his personal friend. \$40,000 told me that \$40,000 would be the one who would be in touch with me about the deal. \$40,000 warned me to be careful to never tell anyone about meeting him, not even Amer. He also told me to tell Amer that I had taken care of the \$40,000 gambling debt for him. \$40,000 told me that \$40,000 would phone me the next day at 10:00 AM. He said that we would have another meeting. He stood up and we shook hands. I told him that it was nice meeting him and I left.

\$40,000 phoned me at about 10:00 AM the next day. \$40,000 asked if I could meet him sometime that afternoon. We agreed to meet at 2:00 PM in the parking lot of the Palace Disco Night-club in Saugus, Massachusetts. We met at 2:00 PM and \$40,000 was driving the same Mercedes Benz \$40,000



Ala: "Mr. Hollingsworth then started speaking about the possibility of some day doing business with me. It looked like he was waiting for me to say something."

the gambling debt. I told Mr. Hollingsworth that I never mentioned any names to Amer, and that Amer was very worried and that there were people bothering him about the debt. I told Mr. Hollingsworth that Amer had no money to pay the gambling debt. I also told Mr. Hollingsworth that I wasn't going to pay the debt because it was a gambling debt, rather than a debt for something Amer had purchased.

Mr. Hollingsworth then told me to listen to him carefully. He said that he only had a few minutes

he knew all the FBI agents in Boston and most of the United States Attorneys. He said that I would be doing business with smart people and that I would see that what he was telling me was true.

I told Mr. Hollingsworth okay. I told him that I like to make money and I would be happy to meet good, new friends. I then asked about Amer's situation. Mr. Hollingsworth told me not to worry about it for the time being and just leave it all up to him. Mr. Hollingsworth told me to trust him. He also told me to please tell Amer to stay away from

asked if I was free the next day so I could meet [REDACTED] for breakfast at the Colonnade Hotel in Boston, Massachusetts, at 10:00 AM. I told [REDACTED] that was fine. [REDACTED] then said that [REDACTED] had also instructed that I park my car somewhere in Boston and take a taxi to the hotel. [REDACTED] and I were together about five minutes; then we each left.

The following day at about 9:30 AM, I parked my car in Quincy Market in Boston. I then went by taxi to the Colonnade Hotel. I arrived at the hotel a few minutes before 10:00 AM. [REDACTED] was in the lobby and said good morning to me. I said hello and we both walked into the restaurant. I saw Mr. Hollingsworth, [REDACTED] and another man sitting at a table in the restaurant. I said good morning to everyone and shook hands with Mr. Hollingsworth and [REDACTED]. Mr. Hollingsworth told me to say hello to Michael Flynn. I said hello to Mr. Flynn. Mr. Flynn said "Hi Ala, nice to meet you."

We all had breakfast and the others were talking about sports. Then Mr. Hollingsworth asked me how Amer was. I told him Amer was fine. [REDACTED] said that he liked Amer and that Amer was a nice boy. I told [REDACTED] thanks.

Just after this, Mr. Flynn looked at me and asked if they were going to make money with me or if I was going to run away with the money. I answered Mr. Flynn by asking him which money he was talking about, and what did he mean. Everyone else at the table was looking at Mr. Flynn and me as we talked. Mr. Flynn told me that he knew more about me than I thought. He said I was a very intelligent and smart man but that I needed good advice before I did my business. Mr. Flynn told me that whatever I did he would like to advise me and make money with me. He said we would have good relations and make good money. Mr. Flynn said that he and everybody at the table all liked me, trusted me and we all had a great chance to make over two million dollars within 45 days. Mr. Flynn told me that if I was willing to work with them and to make money that I would get 20% of the deal. Mr. Flynn told me that if I was ready I must move fast starting today. I told Mr. Flynn I was ready.

Mr. Flynn told me, "Okay Ala, hear me well. First, I trust you so do not f---k us because you have a brother and son in Boston — so let's be friends." Mr. Flynn said, "Hear me well, this is the baby."

It was now about 11:00 AM. Everyone of us was looking at Mr. Flynn and giving him our complete attention. Mr. Flynn was looking at me and started speaking. Mr. Flynn said to me that he had a great connection in the Bank of New England in Boston, and the connection was a man who could be trusted. The man at the bank would give us inside bank information like which accounts were good. Mr. Flynn said that he and his man at the bank were all ready and they know which accounts were good and which accounts we were going to get. Mr. Flynn said that the man at the bank is also going to bring us legitimate checks to make copies of, but we could only keep these checks for four days. The man at the bank can remove the legitimate checks for us but he must return them so they can be sent back to where they belong. Mr. Flynn was still looking at me and asked me if I understood. I told him I did and said to continue. Mr. Flynn continued telling me that this man at the bank is going to process the counterfeit checks through the computer and clear the checks. The checks will then be held at the bank and no one will find out for about 15 days. Mr. Flynn said that all he cared about is that the checks cleared. Mr. Flynn was still looking at me when he spoke.

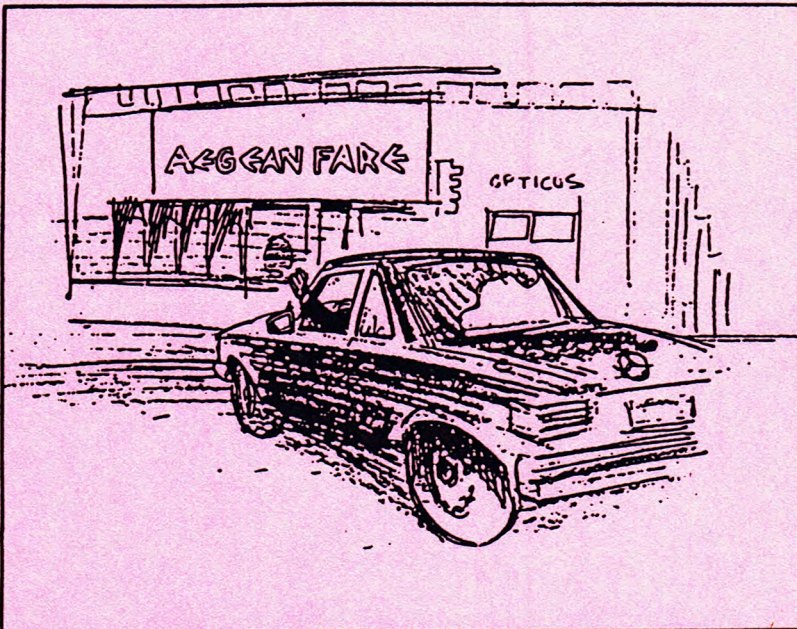
Mr. Flynn then said that my part was to find someone who would make the checks. I would only have four days from the day I got the legitimate checks to do the work that had to be done, and the work needed to be done well. Mr. Flynn said that he knew that I had the connections and could do it. Mr. Flynn told me that after I have the checks made he will have to see them and proof them. Mr. Flynn said that was first. Second, he said I must deposit the checks in a bank and make arrangements with that bank to make a telephone transfer to

anywhere I want. He said that to do this I must go to an international bank; but, he said, that was my part of the operation.

Mr. Flynn said that he wanted me to deposit the checks in a bank, leave \$100,000 at that bank and transfer all the rest of the money out. Mr. Flynn said that he would take care of the rest. He said the money would be going outside the USA. Mr. Flynn said that my part would be to make the checks and have them deposited. Mr. Flynn said that his part will be to clear the checks and send the money back

business and has many friends. I told [REDACTED] that I had a little business that I wanted him to do for me but he must get me the best printer in town.

[REDACTED] is always hungry for a dollar. He's always broke. He dresses well but never has any money in his pocket because he spends it on cocaine. I told [REDACTED] that I needed someone to make me some bank checks within a two-day time limit and the job must be the best. So I told [REDACTED] to go and find the best man for me and tell him to get ready to print the checks for me.



Ala: "At noon I drove to Kenmore Square, saw the black Mercedes Benz and pulled up behind it. [REDACTED], driving the Mercedes Benz, waved his hand, indicating I should follow him."

to the bank account I opened. Mr. Flynn said that then I would transfer the money from this bank account and he would make the collection arrangements for the cash. Mr. Flynn asked me if I understood the deal. I told him I did.

Mr. Flynn told me to never phone him, Mr. Hollingsworth, [REDACTED] or [REDACTED]. In addition, I was to never visit them at their offices or keep their names or telephone numbers to make it appear like I never met them or knew them. Mr. Flynn said that we would meet again and have drinks outside the USA. Mr. Flynn told me that [REDACTED] would contact me on a daily basis but I was never to speak on the phone. [REDACTED] would phone me and then we would meet in person and conduct business. Mr. Flynn said to me that [REDACTED] would be the man who would speak for all of them and asked if I understood this. I said I did.

I asked Mr. Flynn when I would be getting the legitimate checks and who would be paying my expenses. Mr. Flynn smiled and told [REDACTED] that he thought I was ready to move that day. Everyone started joking and they had big smiles. Mr. Flynn looked at me and told me that [REDACTED] would be calling me in two days and by that time I should have my homework done and should know what I needed. I told Mr. Flynn okay.

I looked at [REDACTED] and told him to call me at about 11:00 AM in two days. [REDACTED] said okay. The breakfast meeting ended just before 12:00 noon.

The next day, I met with a friend of mine named [REDACTED] [REDACTED] is in the printing

The following day [REDACTED] called me and we met at the Hilltop Restaurant in Saugus. [REDACTED] told me I should be getting ready because I would be getting the legitimate checks in about a week. [REDACTED] also asked me what I needed. I told [REDACTED] I needed \$25,000 for front expenses. [REDACTED] said it was too much money. I told [REDACTED] to go and ask Michael Flynn for \$25,000 and tell him I needed by tomorrow. I needed the money to prepare many things and pay people up front. [REDACTED] said okay, but said he thought it was too much money. [REDACTED] told me he would call me that night or the next day.

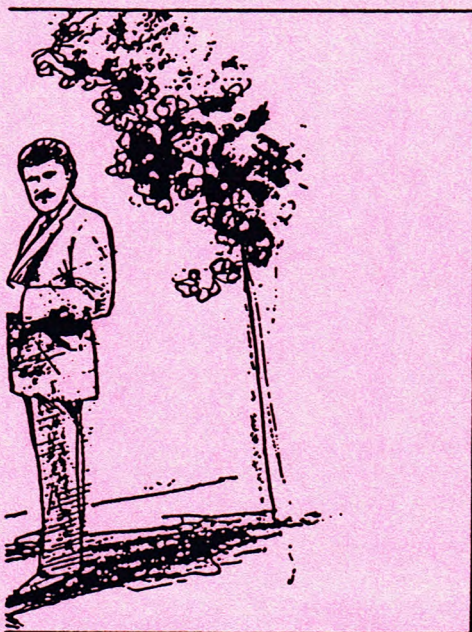
[REDACTED] called me the next morning and we later met at the Hilltop Restaurant in Saugus. [REDACTED] brought me \$10,000 cash and told me he would bring me the other \$15,000 soon. We parted.

[REDACTED] started calling me two or three times a day for a week to meet his friend the printer. [REDACTED] wanted to make the fast dollars for finding me the right printer.

It had now been about a week since the breakfast meeting and I was still waiting for [REDACTED] to bring me the legitimate checks.

A day to two later, [REDACTED] called me in the early morning to set up a meeting. I met him at 4:00 PM in Dunkin' Donuts close to Union Wharf. [REDACTED] gave me an envelope and told me it contained five checks. He said he had just gotten the envelope and checks from Michael Flynn. [REDACTED] said I must return the checks back to him within four days. [REDACTED] said Michael Flynn sent his regards, wished him good luck and said to be careful with the

I am twenty-three years of age. I was born on 7 July 1962. I presently live in the same state that I was born, Sharjah, in the United Arab Emirates. I was the person who took two counterfeit checks in the amounts of Two Million Dollars and One-Half Million Dollars to the Middle East Bank in New York City on, or about, 7 June 1982. I attempted to open an account with these two checks. I told the man who worked in the bank that my name was Aquil Abdulamir. I endorsed both checks with the name of Aquil Abdulamir. The following is a chronological explanation of the circumstances surrounding this incident. It is to the best of my knowledge and recollection. I travelled to the United States from the United Arab Emirates about one month before I took the checks into the Middle East Bank. I flew from Dubai to Boston. I had to change planes in Paris. I flew on Air France and British Airways. I had purchased roundtrip airline tickets in the United



Wharf, . . . gave me an envelope he had just gotten the envelope and checks

Arab Emirates. My return ticket was for an open return, up to one year later.

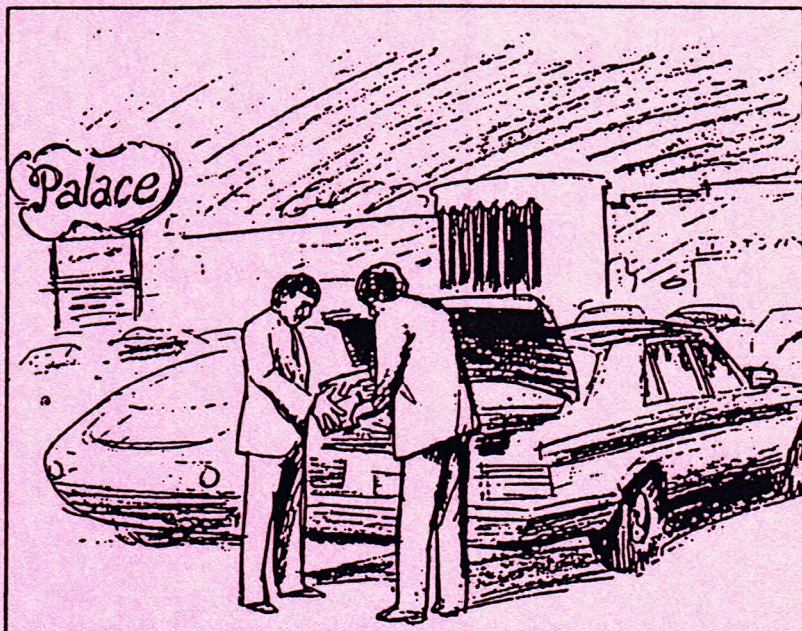
My brother's name is Ala. Ala was living in Saugus, Massachusetts, during this time. Ala's Boston Attorney, Danny Lenzo, picked me up from the Boston Airport. Danny Lenzo said that Ala had been arrested.

Ala:

The M.D.C. Police arrested me and checked my car. The police found the different inks and the scale and other things. They asked me what the things were for. I told them the items were samples going to Saudi Arabia. The police took me to the Revere Police Station. I was fingerprinted and photographed and then taken to the Peabody Police Station. I was released the same day.

Akil:

We drove to the jail and bailed out Ala. After this, Danny Lenzo, Ala and I went to the Colonial Hotel in either Lynn or Saugus, Massachusetts, and ate



Ala: "I told him about the list of things my printer needed. I gave him the list to show it to Michael Flynn . . . About ten days later, called me and asked me to meet him at the Palace Disco parking lot in Saugus. I met and he gave me three boxes."

dinner. The hotel is located on Route One.

Ala:

Two days later, in the evening, I met, the printer, in a parking lot of a shopping center in Brockton. I gave all the things I got from. He told me everything he needed was there. I asked how long it was going to take him to make the checks. He asked me to call him at work or at home and gave me his two phone numbers. I was in touch with every day and every night. I also visited him twice at night at work. After about seven days, he finished the job and gave me the checks. The checks were perfect. He did excellent work. I gave him \$3,000 and I gave \$1,000 to.

had been calling me every day but I never met with him because the checks were not ready. Finally, I met during the afternoon in the same Dunkin' Donuts. I gave the checks and I asked him to get me \$15,000 that night.

Later, I met with again. had a big smile on his face. said Michael Flynn loves the checks and he had asked Mr. Flynn to get the \$15,000 that night. also added that Michael Flynn said the checks were perfect, especially the signatures. said that Mr. Flynn sent his regards to me. then said that Mr. Flynn said he was going to put the numbers, names and dates on the checks but we must wait for Mr. Flynn's man at the bank to tell us when. said that Mr. Flynn needed to know from me the name that will go on the checks and reminded me that it has to be the same name opening the account at the bank. I told that I would give him the name within two days. I then asked where the money was. said that he was going to get all the money right then. He asked where he could meet me that night. I told him I would be at the Palace Disco in Saugus. came to the Palace Disco that night and gave me the \$15,000.

I had arranged for from the North End of Boston, to open the account using the

counterfeit checks. I had false identification for him. However, I could not locate him. I don't know where he went. I had no one to use to go to the bank for me.

I had already chosen which bank I was going to use, the Middle East Bank in New York City. This bank is owned by the Al Fotame family, from the United Arab Emirates. They are Arabs. The bank is managed by Pakistanis. Most Pakistanis are stupid and I thought they process the checks. I have met the manager of this bank in the past and had his personal card. I chose the name "Aquil Abdulamir" to go on the checks and decided to use my brother, Akil Fadili Al Tamimi, to present the checks and open the account at the Middle East Bank. Akil's long Arabian name is Akil Abdul Amir Fadil Al Tamimi. I changed the spelling of Akil to Aquil and changed Abdul Amir to Abdulamir. This gave the name more of an Italian spelling, yet would still enable Akil to use his real name to open the account or transfer money.

Akil:

I stayed with Ala in his home. About ten days before I took the checks to the Middle East Bank, Ala began telling me what he wanted me to do. Ala told me that a Boston Attorney named Michael Flynn had gotten hold of two legitimate checks from the Bank of New England in Boston. Michael Flynn gave the checks to Ala. Ala had counterfeit copies of the checks made. Ala told me that all I had to do was open the account and deposit the checks. I did not have to cash the checks and receive money. Ala said that he and Michael Flynn were going to make the arrangements to get the money after the checks were cleared in the Bank of New England.

Ala told me that he had decided to use the name "Aquil Abdulamir" on both counterfeit checks. Ala chose this name because it's very similar to some of the words in my real name. Ala changed the spelling of my real name "Akil" to "Aquil" and changed the spelling and format of my names

"Abdul Amir" to "Abdulamiar," Ala said that this would make it easy for me to use my real passport as I.D. to open the account. All I would have to say was that my name had been misspelled on the checks.

I practiced writing the signature "Aquil Abdulamiar" over and over. I did this in Ala's home, under his supervision. He also told things to do and things to say when I was in the Middle East Bank. We rehearsed these things over and over.

Ala:

A few days after meeting with [REDACTED], I told him what name to tell Michael Flynn to put on the checks and to also inform Michael Flynn that I was ready to open the account.

Sometime in early June 1982, I met with [REDACTED] in Boston. [REDACTED] gave me an envelope with \$5,000 and said that it was from Michael Flynn to me. [REDACTED] gave me another envelope from Michael Flynn which had the two counterfeit checks. [REDACTED] also told me that Michael Flynn wanted me to check into the Marriott Hotel in Fort Lauderdale, Florida, one day after the account is opened and the two checks are deposited. Michael Flynn said that he will also be in Florida at this time. Mr. Flynn will contact you at the Hotel. [REDACTED] then said [REDACTED] sends his regards and wishes you good luck.

Two days before the checks were deposited I called the Middle East Bank in New York City and

relationship with him on the phone. Then I told him I would be in touch and would call him again.

The next day I called the bank and spoke with the manager again. I told him I was not sure when I would be coming to New York. My brother's son was a student in the USA and he was going to deposit two checks which I received from people I had sold real estate to. I asked the manager of the bank to deposit the checks and told him the boy's name is Aquil. I asked the manager to help Aquil with what needs to be done to open the account. He said he would. He was very nice and told me that he hoped to see me soon.

Akil:

Ala possessed the business card of a person connected to the Middle East Bank. I cannot remember his name at this time. Ala told me that he had spoke to a person on the phone at the Middle East Bank by the name of [REDACTED]. Ala said that he told this person that he was a big businessman in Beverly Hills, California. Ala did not give [REDACTED] his correct name. Ala told [REDACTED] that he wanted to open an account at the Middle East Bank and dropped the name of some important person who worked at the Middle East Bank. Ala told me that he told [REDACTED] that he was too busy to come to the bank himself and asked [REDACTED] if it would be all right if his nephew, Aquil Abdulamiar, brought two large checks to the bank and opened the account. Ala told [REDACTED] that Aquil Abdulamiar was a student

later took to the Middle East Bank.

Ala:

Akil went to the bank and met the manager. Akil gave him the checks and did his best to open the account. Akil either forgot his real identification or decided not to use it. Akil later told me that he was real nervous in the bank. I also had a man go with Akil. This man waited outside. After Akil left the bank, he flew to Florida and met me. I was already in Florida with my bodyguard, [REDACTED].

Akil:

I received a phone call from Ala. Ala told me that he was at the Marriott Hotel in Fort Lauderdale, Florida. Ala told me to take the counterfeit checks to the Middle East Bank the following day or the day after. Ala gave me final instructions, including the flying time to New York from Washington and the weather conditions for the last few days in Washington. Ala told me that someone might ask me these questions in the bank. Ala also told me that another person was going to accompany me to New York, but this person was not to be seen by anyone at the bank. Ala said that I was supposed to phone him as soon as I opened the account and just before I was to catch a plane to Fort Lauderdale.

A day or two later, the other person and I flew from Boston to New York. I believe that we purchased the tickets when we were flying on the plane to New York. I think that we flew on Eastern Airlines. [REDACTED] waited for me at La Guardia Airport. We decided on a location to later meet at the airport. Ala had given me the address of the Middle East Bank. I caught a cab at the airport and went directly to the location of the Middle East Bank. I was wearing a grey suit, a white shirt and black shoes. I also had on a tie. I had the business card that Ala had given me and the envelope containing the two counterfeit checks. I entered the building and took the elevator several stories up to the floor where the Middle East Bank was located. There was [REDACTED] in the reception room of the bank. She asked if she could help me. I showed her the card I had and asked to speak to [REDACTED]. I told her I was Aquil Abdulamiar. I looked to see if there were any cameras in the bank, as Ala told me to do, but I didn't see any. She phoned somebody and told me that [REDACTED] would see me in about five minutes. She asked if I wanted some coffee.

About five or ten minutes later, [REDACTED] walked into the reception area from the bank's inner offices located to the right of the reception room. [REDACTED] greeted me. He appeared to be a Pakistani about thirty-five years of age. He was tall and, compared to most Pakistanis, was light-complected.

[REDACTED] asked me to follow him to his office. We walked down the corridor and turned right. We walked down another corridor, I think to the left, and went into his room. I don't recall seeing a window facing outside in his office. I sat down and [REDACTED] asked me how my uncle was, and when the last time was that I saw my uncle. I gave him the answers that Ala had rehearsed with me. About this time, another bank Manager walked into [REDACTED] office. I was introduced to this man but I can't remember his name.

[REDACTED] asked me about my flight and how the weather was in Washington. I told him the things Ala had told me. I was offered coffee. I answered all of the questions [REDACTED] and the other man were asking me, but I never asked them any questions, just like Ala had told me. During the entire time I was with [REDACTED], [REDACTED] would enter the office and then leave. I cannot recall exactly when he was there and when he wasn't.

[REDACTED] asked me if I had something for him. I handed him the envelope containing the two counterfeit checks. He removed the checks and examined them. He made some kind of joke about me being a rich man. [REDACTED] told me to endorse the checks and handed me one I took



Akil: "I practiced writing the signature 'Aquil Abdulamiar' over and over. I did this in Ala's home, under his supervision."

spoke with the manager. I told him my name was Hamed and I was calling from the Beverly Hills Hotel in Los Angeles, California. I told him that I was from the United Arab Emirates and good friends of the Al Fatah family and I was doing some business in the United States. I told him I would like to open an account with the Middle East Bank but I cannot find the time and I do not know when I'll be in New York. The manager was very nice to me. He said that he wished to see me soon and meet me. I was building some friendly

relationship with him.

I drove with [REDACTED] and met someone sitting in a parked car at a prearranged location. [REDACTED] gave me an envelope and said that only I was to ever touch the envelope and its contents. [REDACTED] had a cast on his hand. I noticed it when he handed me the envelope. I took the envelope and took it home. It contained the two counterfeit checks which I

it between my first and second fingers on my left hand so I wouldn't leave any fingerprints on the check, just like Ala had instructed. I endorsed the check using my right hand and pushed the check across the desk to #####, using the four fingers on my left hand. I instantly realized that I had just put my four fingerprints on the rear of the check. Ala had told me never to leave any fingerprints on the checks. I was very nervous the whole time I was in the bank. But when this happened, I got even more nervous and I became scared. ##### then handed me the second check. I took this between my first and second fingers on my left hand, just like the first check. I turned it over and signed the check. However, I was now so more nervous after placing four of my fingerprints on the first check, that I signed the check wrong. I wrote the name "Aquil" as I was supposed to but wrote the name "Abdulamiar" not as one word as I should have, but as two words. I wrote it as "Abdul Amiar." I just left this check on the desk. I didn't even push it back to #####. ##### picked up this check and handed me a signature card to sign. I signed the card. I signed a total of three things in the bank, the two checks and the signature card.

then asked me for I.D. I told him that I didn't bring any because I thought that it wasn't necessary to show I.D. when all I was doing was opening an account. ##### told me that it was necessary and it was really for my protection. I had my United Arab Emirates passport with me, but I decided not to use it because I was so nervous. I told ##### that the embassy, close to my school, had my passport because they were making some kind of school recognition papers for me. I told ##### that my father always told me to remember my passport number whenever I travel. I then told him my passport number from memory. He wrote it down.

asked me if I could return the next day with I.D. I told him no because I had tests to take at school the next day and I had to fly home right after I left the bank. I left the checks with him. ##### was very friendly with me. He even gave me his business card and told me to give his regards to my uncle.

I think I was in the bank for about twenty minutes. I took the elevator to the street, exited the building and turned left. I walked two blocks, as Ala had instructed, and took a cab to La Guardia Airport. I met ##### who flew with me to New York at the prearranged location. He gave me a phone number to call. I phoned Florida and spoke to Ala. I told him that I had left the checks at the bank and the deal was on. I told Ala the flight that ##### and I were going to take to Fort Lauderdale.

and I flew from La Guardia Airport to Atlanta, Georgia. We changed planes and flew to Fort Lauderdale. When we landed, we were met by Ala's bodyguard, ##### told me that he would watch my belongings and directed me to go outside and talk with Ala. I went outside and saw Ala standing.

Ala and I took a little walk. He asked me what had happened. I told him everything. He got very mad when he found out that I was not given an account number and had left the checks at the bank. Ala told me that after I had phoned him from La Guardia Airport and told him the deal was on, he phoned his people in Boston and told them that the account had been opened and the checks deposited. After a while, Ala calmed down and told me that I had done my best and to not worry. I had never opened an account at any bank in my life and really didn't understand the procedures. I was scared and nervous in the bank.

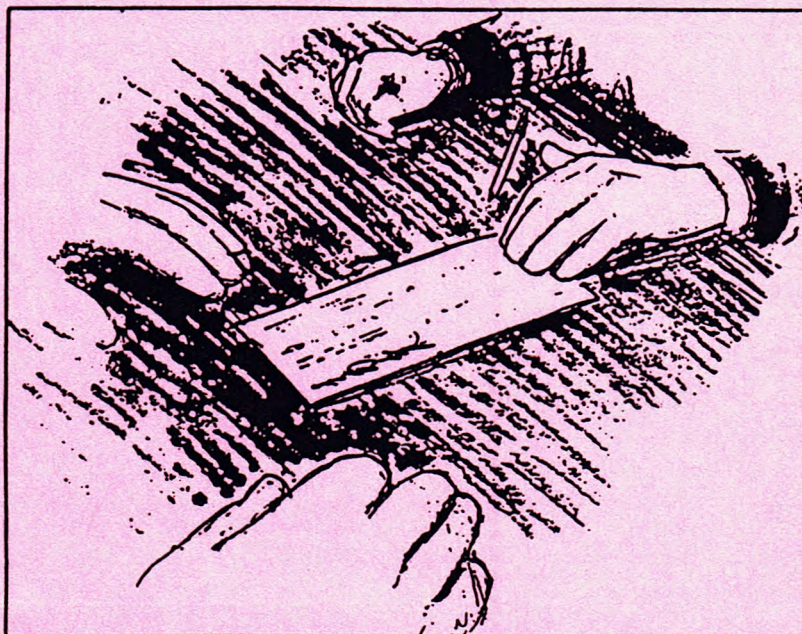
drove all of us to the Marriott Hotel in Fort Lauderdale. The person who flew with me shared a room with me. Ala and ##### shared another room. The two rooms had an adjoining door between them. Ala and the rest of us stayed there another four or five nights

before leaving.

Ala:

Two days later, I received a phone call from Michael Flynn. I was at the Fort Lauderdale Marriott Hotel. Mr. Flynn asked to have dinner with me that evening. At 8:00 PM I was waiting outside the front door of the hotel for Mr. Flynn. A long dark American car pulled up. Mr. Flynn was driving. Mr. Flynn stopped the car, came out, shook my hand and opened the door for me. He

8:00 PM and we would go for a drink. I was a few minutes late and Akil walked me to the front door of the hotel. As we approached the front door, I saw Mr. Flynn standing outside next to his car waiting for me. Akil went to the hotel bar and I walked over to Mr. Flynn. We shook hands. He again opened my door and we drove to the same area as the sea food restaurant. Mr. Flynn took me to a nice bar. He was a combination restaurant and bar. It was on the water and had big windows



Akil: "I instantly realized that I had just put my four fingerprints on the rear of the check. Ala had told me to never leave any fingerprints on the checks. I was very nervous . . . but when this happened, I got even more nervous and I became scared."

was showing respect for me. We left in his car. He drove over a bridge, next to the hotel, and headed towards the Atlantic Ocean. We drove for about ten minutes and arrived at a sea food restaurant. Mr. Michael Flynn told me that the car he was driving was a rented car. The restaurant was on the coast. It was in the same area as a real tall building which I think is a hotel. I think the building has a revolving restaurant.

At the sea restaurant, Mr. Flynn told me he had opened an account in the Cayman Islands. Mr. Flynn said that as soon as the checks clear in Boston, he will know. Then, two days later, the money will be in the New York account. Mr. Flynn said that I would then make the arrangements to transfer the money to the Cayman Islands.

I asked Michael Flynn to give me the details of the Cayman Islands account, the name of the account and the name of the bank. Mr. Flynn said as soon as the money cleared in the Boston bank and his man called him from the Bank of New England, he would give me all the details.

Michael Flynn kept talking throughout dinner. Mr. Flynn told me that I was supposed to meet him and Wayne Hollingsworth in the Grand Cayman Island, after I made the money transfer, and Mr. Flynn would give me half a million dollars in cash. After dinner, Mr. Flynn drove me back to my hotel and said that he would call me.

Michael Flynn phoned me three or four days later at my hotel. He told me he would pick me up at

overlooking the water. We drank champagne and spent about one hour together. Mr. Flynn told me that the checks hadn't yet arrived in Boston and told me that I must call the bank in New York and see what is going on. Mr. Flynn said he would call me in two days. I was back in the hotel by 9:30 PM. I went to the hotel's night club and found my bodyguard, #####, and Akil having drinks. I told Akil that I had just had drinks with Mr. Flynn and that Michael Flynn had told me that the counterfeit checks Akil had deposited still hadn't arrived in Boston. I had on previous occasions informed Akil as to the roles played by Michael Flynn, Wayne Hollingsworth, ##### and #####.

Akil:

Twice during the stay, Ala told me that Michael Flynn was going to pick him up in the evening. I asked Ala if I could go with them. Ala said that Michael Flynn had given instructions that I was to never meet him or be seen with him. However, the second evening that Ala and Michael Flynn went out, I #####. I decided to walk Ala to the front door of the hotel, next to the lobby. As we got to the front door, I saw Michael Flynn in the driver's seat of a large, dark colored, American car. The car was parked in the driveway, about 20 meters from the front door. The car #####. Michael Flynn was looking in our direction

As soon as we got to the doorway, he got out of the car, walked behind it and walked to the passenger door.
 Ala told me that he was going, indicating
 I immediately stopped, about one meter outside the doorway and watched Ala walk over to Michael Flynn. I had
 of Ala and Michael Flynn. They shook hands, then Michael Flynn opened the front passenger door for Ala and Ala got in the car. Michael Flynn walked around the front of the car and got in the driver's seat.
 I walked thru the lobby and thru the hallway into the nightclub in the hotel. I sat with
 About one or two hours later, Ala returned to the hotel and met us in the nightclub. The nightclub has a disco and live entertainment area plus a restaurant.

Ala:
 The next day, I called the Middle East Bank and spoke with the same manager. He is from Pakistan. I asked if he deposited my checks. He was too nice to me on the phone. He said everything was okay and insisted that I must go to New York and see him. I did not like the way he was pushing. I felt something was wrong. I told him that I would be coming soon to New York and said good-bye.

Two days later,
 He gave me a number of a pay phone in Boston and told me to take phone change and call him in one hour from a pay phone. I did this and called him back.
 He told me to forget about the deal because the s—t had hit the fan in the Boston bank.
 He said that Michael Flynn's man in the Bank of New England called
 in Boston the night before and said that everyone in the bank is talking about the check forgery.
 He told me to be careful.
 He said to forget the whole deal. I said okay.

Akil:
 After we checked out of the hotel, Ala and I flew together from Fort Lauderdale to Boston. My

brother, Amer, picked us up at Logan Airport in Boston. He drove us to Ala's home in his 928 black Porsche.

The next day, Ala told me that the checks got caught and that Michael Flynn wanted me to get away from Boston as soon as possible.
 picked me up and Ala told me to go with him
 He drove me to a ski resort area close to Portland, Maine. I had a room on the first floor of the hotel. I think the hotel was two stories high. There were also small cottages on the property. I stayed there by myself. Because it wasn't the ski season, very few people were staying there. The restaurant wasn't even open.

I stayed there about two weeks. When I was hungry, I had to walk to a delicatessen store about one mile away. About 300 meters past the delicatessen was a small pub where I would occasionally have a drink.

Ala and
 visited me at this hotel a couple times. Once, the three of us went for a ride to Vermont. During this ride, I overheard Ala and
 talking about Michael Flynn and his involvement in the check forgeries.

About four weeks after this, I flew home to the United Arab Emirates from Boston.

Additional information
 I saw Ala get in the car with in Fort Lauderdale, as I have previously stated. I know this man to be Michael Flynn. I have affixed the fingerprint of my right thumb, using purple ink, to the rear of the photograph.

The signatures directly below which read "Aquil Abdulamir" were written by me. This was how I endorsed the first check in the Middle East Bank in New York City.

In addition, I have affixed all ten fingerprints, in black ink, to the last page of this declaration. This is on Page Twelve. I have also affixed my right thumbprint, in black ink, to the top right corner of each page of this declaration.

The previous statements were made freely and voluntarily. They are true and to the best of my knowledge.

Signed in Dubai, United Arab Emirates, this 10th day of May, 1984.

AKIL ABDUL AMIR AL FADILI AL TAMIMI
 Witnessed by Eugene M. Ingram
 Private Investigator
 California License Number AA9387
 1212 North Vermont Avenue
 Los Angeles, California 90029

Ala:

WAYNE HOLLINGSWORTH: Boston lawyer — office at the Union Wharf, Boston, Massachusetts. He is about 47 years old. He introduced me to
 and Michael Flynn.
 He is about 33 years old, in
 Massachusetts. Very big bookmaker in Massachusetts.

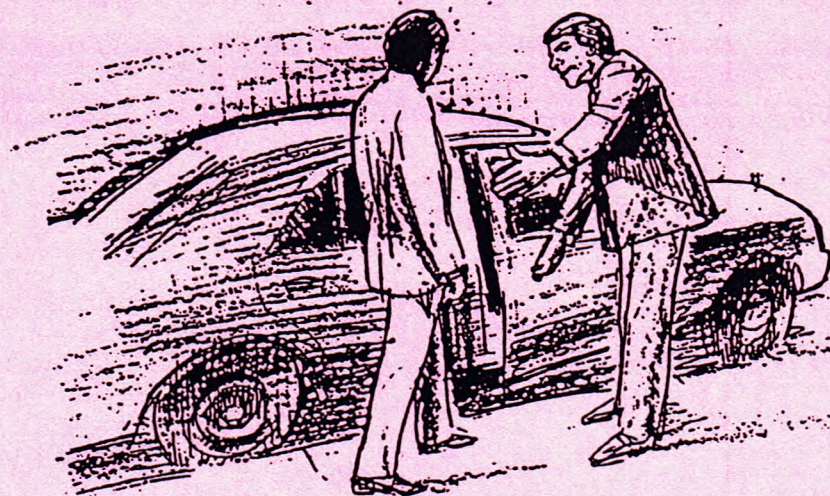
drives a black Mercedes Benz sports car. He is about 33 years old and works for
 and does his dirty work.
 was the contact between myself and
 and myself and Michael Flynn.

MICHAEL FLYNN: Boston lawyer — offices at Union Wharf. He is about 43 years old.
 is the printer who made the forged checks. He is
 of a printing company in
 is about 33 years old and works in the printing business.
 is the one who introduced me to
 the printer.
 saw the original checks and he received \$2,000 from me for introduce me to
 the printer.

In referring to the Bank of New England I am also referring to the New England Merchants National Bank, as the bank was previously known, prior to May 1982.

Executed at Naples, Italy on the 5 day of May 1984.

The sketches in this special supplement were drawn by Peter Green, based on photographs wherever possible.



Ala: "Mr. Flynn stopped the car, came out, shook my hand and opened the door for me. He was showing respect for me."

BLOSSOMS OWNER HIDES CONTROVERSIAL PAST

Alleged Civil Rights Culprit Gains Federal Funding

by John Lawrence



Kevin Flynn, president of FAMCO, organized brutal "deprogrammings" aimed at boosting business for FAMCO.

Kevin Flynn, the subject of multi-million dollar lawsuits for alleged civil rights violations in Massachusetts and California and the brother of alleged criminal conspirator Michael J. Flynn, opened the Blossoms restaurant in late 1983 in the government-owned Post Office Pavilion in Washington, D.C.

The Small Business Administration (SBA) underwrote the Blossoms enterprise to the tune of \$250,000 of taxpayers' money, in the form of a loan guarantee.

Flynn's application to the SBA is under investigation due to some "inconsistencies" regarding his past.

The original application indicated that the Blossoms venture was being taken by the Flynn Company, presumably chartered in Massachusetts. Subsequent searching of records in Massachusetts revealed that no Flynn Company ever existed in the Commonwealth, but there is a Flynn Associates Management Corporation (FAMCO), formed by Flynn and some family members in 1980.

In April 1983, Flynn changed his SBA application to read that Blossoms was a venture of the General Business Management Corporation (GBMC), of Massa-

chusetts. Flynn also reported that he had been the president of Flynn Company since 1978.

Multi-Million Dollar Legal Action

The multi-million dollar suits against Flynn indicate that while he was with FAMCO, he had been involved in controversial "deprogramming" efforts, attempting to forcibly dissuade people from their religious beliefs.

Those successfully turned away from their commitments were then taken to Flynn's brother, attorney Michael J. Flynn. Michael Flynn then would attempt to persuade the victim to file suit against his former church. According to FAMCO documents, these suits were the corporation's main business.

FREEDOM is investigating the accusation that the same credit card used to pay deprogramming expenses for FAMCO is now being used by Kevin Flynn for GBMC business.

Thomas Hoffman, attorney for GBMC, wrote a letter in September 1983 stating that Kevin Flynn was not involved in any civil litigation. Hoffman, however, was fully aware that Flynn was embroiled in costly court proceedings.

continued on page 16

FAMCO

continued from page 1

Cheryl Flynn (Kevin's wife), and Michael Flynn.

The Flynn's soon began outlining their sordid intentions on paper. The purpose of FAMCO, as stated in the corporation's document entitled "Scientology — Review and Planning," written in early 1981, was "to position ourselves such that to fight us would be cost ineffective."

The document described a four-pronged attack:

1. Closing Scientology organizations
2. Adverse media (against the Church)
3. Adverse public reaction (against the Church)
4. Federal and state attacks (on the Church).

With the knowledge of FAMCO's plan, the purpose of filing separate suits in scattered locations suddenly becomes very clear. It was in line with FAMCO's

purpose to make it "cost ineffective" for the Church to fight.

According to an attorney for the Church, the suits were "designed to tax the Church of Scientology to the breaking point, to inconvenience and harass the institution so that it [would] be forced to settle with [Flynn] and to maximize the profits that [would] accrue to the lawyers."

In a promotional mailing sent to attorneys across the country, FAMCO included its "Class Action Case Development Program" in which Flynn promised that 1,000 lawsuits would be filed against the Church of Scientology by the end of 1981.

Conveniently Packaged

The Class Action Case Development Program offered the prospective attorneys a conveniently prefabricated package.

"We provide the clients,

the damages, the pleadings, the memoranda, the documents, the witnesses and virtually everything required for an instantaneous trial with little or no necessity for discovery."

the document stated.

As an added incentive, the FAMCO plan included instant press coverage. Flynn boldly listed the media outlets which he claimed to have in his pocket:

- a) UPI and AP wire services
- b) "60 Minutes"
- c) TIME magazine
- d) "Prime Time"
- e) The Reader's Digest
- f) The Saint Louis Post-Dispatch
- g) The Las Vegas Review Journal
- h) ABC TV in San Francisco
- i) The Clearwater Sun
- j) The National Enquirer
- k) the authors of the book Snapping
- l) The Riverside Free Press
- m) The Los Angeles Times
- n) The Boston Globe

Flynn also claimed to have wit-

nesses available to assist in corroborating his stories for these media. Omitted from his promotional literature, however, was the fact that several of his "witnesses" had been promised immunity for past crimes in exchange for their "testimony," a fact which would lower their credibility in the eyes of journalists.

Case Thrown Out

Flynn is known to have written "affidavits" and "declarations" which his clients have submitted in court. At least one such document authored by Flynn backfired in his client's face.

Flynn was found in contempt and his client, Ronald DeWolf, was ordered to pay court costs in a Riverside, California, probate case. Flynn had written the original declaration, signed by DeWolf, containing outrageous and scurrilous lies which both he and his client then loudly spread to the media. His lies were exposed,

continued on page 14

FAMCO

continued from page 13

however, when the judge threw the case out altogether.

Loss of Business

Another target on the FAMCO plan to make it "cost ineffective" for the Church to fight was to foment a "loss of business" for the Church itself.

Members were to be induced to

defect from the Church by continued exposure to FAMCO anti-Church propaganda. The defectors were to be organized into groups with FAMCO assistance and make themselves readily available for other "potential defectors."

Kevin Flynn, Deprogrammer
Even with such an impressively



Michael Flynn is a central figure in a FAMCO-aided criminal conspiracy.

pre-packaged plan, the Flynn brothers and their FAMCO front corporation could not muster the business they needed to bring their plan to fruition. A more aggressive recruitment method was required.

Influenced by Massachusetts psychiatrist John Clark, well-known for his hatred of religion, the Flynn's chose to use a modern psychiatric mind control tool colloquially known as "deprogramming."

This method of "curing" people of their religious convictions had obvious appeal for the Flynn brothers. Deprogramming involves kidnapping, beating, raping and any other physical or mental torture required to "free" the victim of his commitments and beliefs.

Kevin Flynn took charge of these "recruitment" actions. He was a natural for directing FAMCO's deprogramming actions, according to one investigator, due to his reported connections to certain people with interests in drug dealing and related activities. Kevin put together an effective team of thugs to perpetrate the kidnappings and torture.

Teamwork

The Flynn brothers worked as a team. After a person had been forced through Kevin's depro-

gramming process, he would be taken to Michael to be convinced that he should now sue.

According to Kevin, he brought at least eight such potential clients to his brother Michael.

Their teamwork, however, was unsuccessful. As fate would have it, a number of these deprogramming victims turned around and sued the FAMCO brothers.

Fraud Denied

As the scandalous details of FAMCO's activities became public knowledge, Michael Flynn denied ever having implemented his sinister FAMCO plans to destroy the Church. To have done so, Flynn stated, would have created "the appearance of impropriety."

In spite of Michael Flynn's denials, the activities of the now-infamous FAMCO clearly show that he, his brother and others have followed their plans to the letter.

The fact that they have been wholly unsuccessful in their conspiracy does not cancel the documented evidence that they used their front corporation, FAMCO, and its successor, General Business Management Corporation (GBMC), to commit one of the most vicious and insidious frauds ever perpetrated against a recognized religion in the history of the First Amendment. **A**

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"Flynn told him, 'Do not f--- us because you have a brother and son in Boston'."

FORGERY

continued from page 4

Flynn took the opportunity to threaten Tamimi. According to Tamimi's declaration, Flynn intimated that Tamimi's family would be in danger if Tamimi did not follow through with his end of the bargain.

According to Tamimi's sworn statement, Flynn told him, "Do not f--- us because you have a brother and a son in Boston."

In describing the course of the intensive six-month inquiry, Jentzsch said that investigators had traced the path of the conspi-

racity through more than a dozen cities — from Boston and New York to Clearwater, Florida, the Cayman Islands and finally to Italy and Dubai and Sharjah in the United Arab Emirates. "The documentation is explicit and complete," he added. "We have corroborative witnesses and documents, including photographs, that completely verify the criminal conspiracy."

Breakthrough

A breakthrough came when Ingram located Ala Tamimi and his brother Akil overseas.

Faced with the possibility of an additional federal indictment and lengthy legal proceedings in Italy and the United States, Ala Tamimi

agreed to detail his involvement with the hope that cooperation would lessen the charges against him in the United States.

Every detail in Tamimi's account was fully corroborated by independent investigation in the United States.

Rev. Jentzsch stated, "A portion of the results of the international inquiry were made available to Randolph and his client when Kevin Flynn attacked the Church in the Miller case. The links to organized crime have also been given to the federal prosecutors."

"We have the proof that the entire probate case was not only a fraud but was also based on a felony," Rev. Jentzsch stated. "Flynn

is a criminal who will stop at nothing to make a buck. He is worse than immoral. He has defrauded not only the courts but also the media and even his own clients for the sake of his personal greed."

Rev. Jentzsch stated that the Church is continuing its investigation into "other crimes" uncovered during the two-year probe.

"Make My Day"

When asked if he expected Flynn to respond with a libel suit, Rev. Jentzsch said, "Flynn cannot afford to answer these charges under oath. His life cannot survive scrutiny. So give him this message: 'Go ahead. Make my day'." ■

Ron: The Master Mariner, Part I

GET THE FACTS

In 1940, L. Ron Hubbard charted the coastline of British Columbia in his 34-foot sloop, the "Magician."

Ron: The Master Mariner, a beautifully-designed biographical collector's item, contains the never-before-published ship's log of this journey written by L. Ron Hubbard.

The account of the voyage along the craggy Pacific coastline in turbulent and rocky waters has been reconstructed and documented with photos and maps.

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Kevin Flynn, subject of SBA investigation.

BLOSSOMS

continued from page 13

At the time of his letter, which was included as part of the SBA loan application, Hoffman had appeared and testified in a case against Flynn in California. The SBA application made no mention whatsoever of ongoing litigation by either Flynn or his attorney.

SBA Investigation

Because a stunning 65 per cent of SBA loans in the D.C. region are in what the agency calls "troubled status," the SBA has taken an interest in Flynn's situation. Reports have been generated to other agencies as well, reaching the U.S. Senate Committee on Small Business and even the

White House.

Although the inspector general's office of the SBA is being tight-lipped about the investigation, it has been learned that Flynn may have deliberately lied on his application to hide his previous FAMCO activities.

According to one investigator, the SBA looks into the character of the applicant, and Flynn's dealings while in FAMCO would quite likely have been considered "of a questionable nature."

Looking into the area of FAMCO, the investigator confided, would have led to "findings likely rendering a denial of the loan application."

Making false statements on an SBA loan application is a felony under federal law. ■

NEXT ISSUE:

BRIBERY, EXTORTION AND MURDER AT BUTLER CHEVROLET

In the 1970's, the automobile world was shaken by the massive fraud and corruption uncovered after the murder of a General Motors warranty inspector. This article reveals heretofore unknown information regarding Michael Flynn's role in suppressing the true extent of corruption by threats, bribery and intimidation.

THE SECRETS OF WAYNE HOLLINGSWORTH

Underworld connections, criminal conspiracy — these are old hat to Wayne Hollingsworth. This article reveals some of Hollingsworth's startling secrets and leaves you with one question: Would you hire this man as your attorney?

BLOSSOMS: CAN A RESTAURANT BE A LAUNDRY, TOO?

When investigators began to probe the individual investors in one of Washington, D.C.'s newest restaurants, they stumbled on a drug smuggling ring.

MULTI-MILLION DOLLAR CONSPIRACY, PART II

Not all has yet surfaced regarding Michael Flynn's forged check conspiracy and Ronald DeWolf's failed probate bid. This article exposes still more of the conspiracy and the facts behind the probate scam.

FREEDOM

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IRS TACTICS RESULT IN VIOLENT DEATHS

by Andy Lenarcic

- 1) Tell the taxpayer what you want.
- 2) Tell the taxpayer when you want it.
- 3) Tell the taxpayer what will happen if you don't get it.
- 4) Make it happen.

Internal IRS Memorandum
"Expectations of the Group"
March, 1980

The killing of Gordon Wendall Kahl is still a mystery.

A 63-year-old, partially deaf World War II veteran, Kahl carried metal plates in his hip, legs and head from shrapnel wounds received as a gunner in a B-25 bomber over China and Burma. He survived the horrors of war only to be killed and firebombed in an assault by more than 30 government agents in his own country.

It began when Kahl and his family moved to a small 80-acre farm outside of Medina, North Dakota. It wasn't much, but in the

continued on page 4



Part of the 100-man task force, equipped with automatic weapons and an armored personnel carrier, prepare for the assault against Gordon Wendall Kahl. As a "tax protester," Kahl had refused to file tax returns on his income of only \$10,000.

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Flynn Target of Bribery Charges in 'Motorgate' Scandal

by Thomas G. Whittle

"[Michael Flynn] then told me that he knew I was concerned about my family and that I had a lot of children who were little. He said that one of them could be hit by a car, and that anything like that might happen to my children."

— George O. Edgerly

The central role of lawyer Michael J. Flynn in a \$2 million forged check conspiracy was exposed in FREEDOM Issue 61. Further investigation has revealed that this 1982 criminal conspiracy was not the first time Flynn was involved in criminal misconduct.

While Flynn has cited his work

in the much-publicized "Motorgate" trials in the mid-1970's as evidence of his legal abilities, FREEDOM has uncovered allegations that Flynn:

- bribed a key witness to not testify in a larceny case;
- offered the same man an additional \$18,000 bribe in a related case;
- threatened the man with retaliation, including physical harm to his children, when the second bribery attempt failed;
- threatened the man's wife that he would break her legs if her husband did not "cooperate";

continued on page 6

Ex-U.S. Attorney's Role in Check Forgery Surfaces in Boston Court

by Stacy Young

In Issue 61, FREEDOM detailed a conspiracy reportedly masterminded by Boxford, Massachusetts lawyer Michael Flynn to forge a \$2 million check on the account of *New York Times* best-selling author L. Ron Hubbard.

In a special supplement of that issue, affidavits signed by Ala Fadili Al Tamimi and his brother, Akil, were reproduced in full. Their statements told a sordid tale of criminal conspiracy.

One of the allegations made by Ala Fadili Al Tamimi was that Belmont, Massachusetts lawyer Wayne B. Hollingsworth con-

vinced him to "play . . . a nice game" that could make him "big money" with Michael Flynn. Ala further alleged in his affidavit that Hollingsworth attended the first meeting between Flynn and Ala in which the plan for the \$2 million check forgery was discussed.

Since FREEDOM 61 was published Hollingsworth has told a Massachusetts superior court that he never knew or had any involvement with accused forger Ala Fadili Al Tamimi. His denial has been challenged, however, by his former law partner Gary Pappas.

continued on page 8

IRS: An Agency of Violence

In 1965, then-Senator Edward Long (D-Missouri) attacked the Internal Revenue Service as "a Gestapo preying upon defenseless citizens."

The late senator made his charge following an extensive probe into the agency and its practices.

In the intervening years, there has been no sign that the IRS has changed for the better.

Judging from the many reports FREEDOM has received from around the country, abuses today are rampant.

In this issue, FREEDOM explores one such report, the case

payer forms, but you can't find the people.

... A person can keep getting the same letter over and over and keep answering and sending the letters in and [the answer] is never responded to. They get frustrated but can't get ahold of anybody who will answer their questions for them.

Bad as it is, this lack of communication is nothing compared with conditions when IRS agents leave the bleak security of IRS walls and go after a taxpayer.

Here are a few examples from the many that FREEDOM has on file:

"There is no place in a free society for a governmental organization whose hands drip with the blood of crimes against its own citizens."

of Gordon Wendell Kahl, a man who served his country in combat as a gunner on a World War II bomber. It could be said that, but for heavy-handed IRS tactics, Gordon Kahl would be alive today.

It might also be said that, but for those same tactics, the three other deaths described in the Gordon Kahl feature would not have occurred.

Only a full, open inquiry can settle those questions.

Out of Touch

A problem with the IRS is that the agency is out of touch with the American people. Congressman George Hansen, featured in an exclusive interview in this issue, describes this condition well:

[IRS] offices are not open. They don't make themselves available to give people advice, and when they do give advice, they don't stand behind it.

Even in a sizable IRS office, the doors are usually locked, the lines are closed. They have racks of tax-

Alaska

Stephen and Mona Oliver of Fairbanks, Alaska, sought to find out why the IRS had assessed them \$3,300. Instead of an answer, the Olivers got a higher assessment. The IRS said they actually owed \$4,700, and the agency began dunning them for payment.

The amount next escalated to \$9,600. IRS agents, to secure part of the "assessment," moved with incomprehensible ferocity to seize the Olivers' car. According to the Olivers, they had no warning that the IRS would "seize" their property.

The agents smashed the car's windows and dragged the couple bodily out of the vehicle, across shards of shattered glass, leaving them bleeding on the pavement to watch helplessly while a tow truck hauled their now-battered car away for "resale."

Maryland

Approximately 40 heavily armed officers and IRS agents

assaulted the peaceful home of Amish farmer Dwight Snyder, threatening Snyder, his wife, Hallie, and their five-year-old daughter with loaded M-16 rifles and submachine guns.

The fact that the Snyders, by their deeply-held religious beliefs, were non-violent did not seem to matter.

Minnesota

Donald McGrath of Grand Forks, Minnesota, was shot and killed following a dispute with the IRS. At the root of the dispute was an arbitrary demand by the IRS for \$39.65 in back taxes.

McGrath wrote to the IRS, requesting a meeting or some explanation for why he owed the \$39.65. Instead of an answer, the IRS reportedly took the money from his bank account.

McGrath, with no previous criminal record, subsequently became embroiled with local law enforcement officials, and was killed, shot in the head with a shotgun.

Donald McGrath sought, but failed to find, justice.

FREEDOM has a glut of horror stories similar to those above.

The violence surrounding the IRS is a symptom of the agency's lack of communication with its own country's citizens. When the IRS does "communicate," those it communicates with can — and sometimes do — wind up dead.

There is no place in a free society for a governmental organization whose hands drip with the blood of crimes against its own citizens.

Former IRS Commissioner T. Coleman Andrews described the need for change following his resignation as commissioner:

I believe that a better way to raise revenue not only can be found but must be found because I am convinced that the present system is leading us right back to the very tyranny from which those, who established this land of freedom, risked their lives, their fortunes and their sacred honor. . . .

Letters to the Editor

Dear Editor:
FREEDOM Issue 61 was a fine piece of investigative writing. My congratulations!
Haskell Cooke
Guaymas, Sonora, Mexico

Dear Sir,
During the past decade as a working newsman, I have watched the growth of FREEDOM News Service.

I haven't always agreed with your analysis of the news, but I have always been impressed with your crusading spirit and dedication to truth.

We need more such as you. Congratulations on your 16th anniversary and I look forward to

extending the same congratulations on your 20th.
Dave McQueen
San Francisco

Dear Sir,
I just wanted to say to you that your newspaper, FREEDOM Issue 60, is truly a real eye opener to psychiatry.
This is a top paper.
Keep it up.
Stan Smith
Sydney, Australia

FREEDOM

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Advertising rates and information are on page 10.

COMMENTARY

Protesters or Patriots?

by Jim Morrow

Individuals who refuse to pay taxes call themselves Tax Patriots.

The Internal Revenue Service calls them tax resisters. The courts, influenced by the IRS, call them criminals, and are levying steeper and steeper penalties against them.

Are they criminals, as the IRS is claiming, or are they patriots in the true spirit of the American Revolution?

Tax Protesters Increasing

It is a question that needs to be resolved. Factually, individuals from all walks of life and every income bracket are cheating on their taxes. Whoever they are and whatever their motives, the numbers are growing at an astonishing rate.

The IRS admits they cannot realistically stop them, and the amount of tax revenue lost through tax cheating has tripled over the last 10 years.

Regardless of social or economic differences, there is one common denominator present with all of the people who cheat on their taxes: they don't want to pay them.

As obvious as that may seem, it is a significant point.

"The Internal Revenue Code has taken on a tyrannical power of its own and must be brought under control."

Our tax system is supposed to be a voluntary system. People are supposed to want to support their government. They are supposed to want to chip in their fair share. Why don't these people want to chip in?

Complexity Masks Injustices

Part of the answer may lie in the Internal Revenue Code itself. An individual's "fair share" of taxes is determined by a set of laws and rules so complex that it requires a certified public accountant to translate them for the layman.

In recent Treasury Department hearings on reform of the tax system, in fact, the code was characterized by speakers as "a shambles," "an atrocity," and "irrational, inefficient and totally counter-productive."

The complexity of the code alone results in and then masks countless injustices perpetrated

by IRS agents who say they are "only doing their jobs."

IRS Not Doing Its Job

An analysis of actual statistics and evidence shows that the IRS is failing at its job. A report by the American Bar Association speculates that the United States could be the first great power to falter because it lost its ability to collect taxes.

Most people, given a sane, fair, voluntary system, would undoubtedly be quite happy to contribute their share to the government. They would need, however, to understand the tax code to know what really was their fair share.

Birthday Protester

A simple illustration will clarify the problem:

Imagine for a moment that you have a family of five to support. The boss's secretary comes to you and says everyone has to chip in \$5 for the boss's birthday. You like your boss, and you want him to have a happy birthday, so even though money is a bit tight this week you contribute your \$5.

Later, you happen to overhear the secretary telling a fellow worker, who has no one to support but himself and has plenty of money anyway, that he can con-

tribute \$1 — if he feels like it — to the boss's birthday fund.

Obviously, that isn't fair. You would probably feel somewhat betrayed or cheated over such a raw deal, and the next time you were asked to contribute to the boss's birthday you would undoubtedly be less willing to do so — not because you dislike your boss, but because of the unfairness of the collection system.

If you continued working at this same place and such inequities continued, you might even become a "birthday protester" who no longer believes in office birthday parties.

Of course the real solution to the birthday dilemma above is to straighten out the secretary and make the system fair, not to make the boss think you hate him because you wouldn't contribute!

The tax protester problem in this country requires a similar solution.

Real Solution Needed

No one disagrees that our current tax system needs to be reformed. The issue is a significant plank in the upcoming elections, and the subject of taxes is in the news daily. Congressional hearings are being held to study the problem, and several bills have already been proposed.

Taxes affect everyone. The subject of tax reform is a hot political item which inspires at least a flicker of interest even in people who are not ordinarily at all interested in politics.

A Return to the Bill of Rights

The outcome of any endeavor undertaken by Man depends in large part upon his motivation.

The Bill of Rights of this country is a document that was conceived by men of high ideals, whose motivation was the preservation of freedom and individual rights. It has endured for 200 years and has held this nation together.

Yet it is so simple it can be reproduced in a small pamphlet.

The full U.S. federal tax code, on the other hand, with its accompanying rules and regulations, would kill a man if it fell on him, and even the experts are afraid of it.

If the Bill of Rights has remained straightforward all these years because it was conceived by men with high ideals and the vision to see the future, it may be that the complexity of our tax code indicates something of the motives of those who conceived it.

In fact, the U.S. tax code is the culmination of years of vying for loopholes and preferences by many powerful vested interests.

A Return to the Spirit of America

Unfortunately, these vested interests are again loud voices in the issue over tax reform. With elections only months away, politicians in both camps are promising what will get them votes and not lose them powerful friends. Necessity has afforded a golden opportunity to bring about the kind of wholesale reform needed, but it is threatened by the very interests that created the code we have now.

If we are going to reform the tax system why don't we do it for real?

A fair tax for everyone would be a flat-rate tax on gross income with no deductions for anyone



Jim Morrow

and taxes on net income forbidden.

Some flat tax bills have been proposed already, with varying flat rate percentages and varying retained deductions. There is talk of an "all-out populist tax revolution" and the prospect of freedom from the tangled web we have is generating an undercurrent of excitement.

If a true flat tax, with minimum or no deductions, were adopted, we could shred the present tax code, the monstrous agency called the Internal Revenue Service could be abolished, and most IRS employees could get on with something productive.

Grassroots Movement

Tax Patriots or Tax Resisters? That same question was asked about the men who refused "taxation without representation" and who later wrote our Bill of Rights. There is no clear-cut answer. Many people do resist paying taxes. On the other hand, the Internal Revenue Code has taken on a tyrannical power of its own and must be brought under control.

The present agreement from virtually all sides that the tax system must be reformed is an invitation to all would-be patriots to bring about a lawful revolution in the spirit of the Founding Fathers.

Without a massive grassroots movement, the vested interests will retain their loopholes and preferences and the IRS will continue to hide its injustices within the tangled web.

Vested interests are closer to the politicians than are the people of this country. We must therefore raise our voices louder, together, to be heard. **A**

KILLING

continued from page 1

twilight of his years he enjoyed the life and the people around him. Kahl's income averaged a meager \$10,000 a year but he found it sufficient to make ends meet during a time when farmers were experiencing large drops in wholesale prices for their crops.

A gun collector and hunter when he was not farming, Kahl could be seen driving about with the familiar gun rack mounted in the back of his station wagon, visiting his growing number of friends.

Gordon Kahl became involved in civic affairs in the Medina area. He was soon well-known and respected in the area for his stand against government intrusion into the farm business.

Although his earnings were not enough to require paying taxes, Kahl still protested the tax system by refusing to file his yearly income tax forms. His refusal gained him the label of "tax protester."

Kahl's actions came at a time when the IRS was concerned over the growing number of tax protesters. The movement, comprised of hard-working American citizens from all walks of life, was united in the belief that, according to the Constitution of the United States, filing yearly tax forms should be a voluntary act.

The membership of these groups was multiplying at an alarming rate and, according to the IRS, something had to be done about them.

Because of the reputation he was gaining as a man of principle whose beliefs might be emulated, Kahl was apparently chosen as a particular target.

In 1981 Kahl had refused to testify before a Texas grand jury concerning the tax protester movement, and a warrant was issued on him. Nothing had come of it at the time, but in February 1983 the two-year-old warrant for Kahl's arrest was activated.

While it is not known who chose the manner in which Kahl was to be accosted and served or why, the method resulted in the needless killing of four people.

Knowing that Kahl was in Medina attending a meeting, federal marshals set up a roadblock and waited for him on a lonely stretch of road which they knew he would have to travel to get home, a short distance outside town.

Two cars — one containing Gordon Kahl and his friend Dave Broer and another containing Kahl's wife, his son Yorie and his wife along with two other friends — proceeded down the road on their way home from the meeting.

As they came over a rise, they noticed two unmarked cars forming the roadblock. Not understanding what was happening, both cars immediately pulled to the side of the road.

The agents had arranged for a moving roadblock to follow Kahl out of town. This "rear guard" moved into position behind them, blocking Kahl's retreat. Kahl and the others became alarmed when men armed with M-16 rifles and other weapons jumped out of the cars yelling "Take your positions!"

From the account of two eyewitnesses, one of the marshals yelled "You're going to die!" Kahl saw two of the men aim their guns straight at him. When he and his friends saw this, they pulled out their own guns and prepared to defend themselves and their families. Kahl jumped out of the car and his son, Yorie, did the same.

Suddenly, a shot rang out. Yorie yelled that he had been hit. One of the agents began screaming, "Who fired? Who fired?" Before anyone could answer, a second shot rang out. Yorie was hit a second time. He went down, wounded in the stomach.

None of the men had identified themselves or announced what they wanted, but Kahl began to realize they must be after him. Dumbfounded, he spotted an agent taking aim at him and a second agent preparing to fire on his wounded son.

He took aim at the first agent and fired. The agent ducked behind the door of a car. Kahl quickly swung his rifle around and fired at the second agent.



Gordon Kahl

When the man fell to the ground, gunfire erupted between the Kahl party and the roadblock agents.

Realizing they were after him and no one else, he knew the best thing for his family was to get away as fast as he could. With his friends there to take care of his wife and wounded son, Kahl fled the scene, trying to take the danger with him.

Within hours more than 100 men, 12 vehicles, and an armored personnel carrier had been sent out to search for Kahl. Meanwhile, Yorie and Kahl's wife were arrested and charged with the

death of the two federal marshals.

Believing that Kahl had fled to his farm, the agents surrounded Kahl's house and, using the armored personnel carrier as a shield, fired tear gas canisters into it. After 24 hours, the armored personnel carrier moved a SWAT team in to storm the house. They found it deserted.

Yorie was taken to the hospital, almost dead from gunshot wounds. His mother, waiting to find out if her son would live or die, was accosted in the hospital by two marshals, handcuffed, and taken to the sheriff's department for questioning. When she convinced the marshals she did not know where her husband was, she was put in jail and left there until bond was posted.

Yorie and his mother were brought to trial, accused of the murder of the two federal marshals shot at the roadblock.

Kahl was in hiding, sure he would be arrested on sight if he appeared at the trial, and equally sure he had no hope of justice after what had already happened. In a letter to the court, he said that he had shot the two agents as they had not identified themselves nor their business but had simply opened fire on his son. This, Kahl stated, had left him no choice but to fire back to protect his family and himself.

Kahl added in his letter to the court that he did not want to come out in the open, as he felt that the government agents would "shoot to kill" if he ever showed his face again. He therefore would not accept the warrant concerning his supposed probation violation, which had prompted the roadblock.

The IRS apparently knew it would now have to take a stand against the tax protest movement. They had already let the movement know that something was going to happen. According to the March 1980 IRS Memorandum entitled "Expectations of the Group," the next step was making sure that "something" did happen.

Because of the deaths of the federal agents, the FBI was brought in on the case of Gordon Wendell Kahl. This opened the door for implementation of a 1976 IRS Manual Supplement, which called for the IRS to work very closely and "in liaison" with the FBI in matters concerning the "tax protest" movement.

According to an affidavit filed by FBI Special Agent Jim Blasingame, a certain "Informant Y" spotted Kahl in late May 1983 in a car near Smithville, Arkansas. "Informant Y," the affidavit stated, turned this information over to an unnamed "Agent X," who was known by Blasingame to be reliable.

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As a gunner in a B-25 bomber during World War II, Gordon Kahl shot down nine enemy planes.

EXCLUSIVE FREEDOM INTERVIEW

George Hansen

Representing the American People

Congressman George Hansen (R-Idaho) has been a firm advocate of human rights and freedom and an outspoken critic of the Internal Revenue Service for many years. His recent book, To Harass Our People, is reviewed in this issue of FREEDOM. Following is an exclusive interview by FREEDOM Senior Editor John Chambers.

FREEDOM: Some would say the IRS is an agency out of control. Are there specific instances of abuse that would show that?

MR. HANSEN: Well, you have my book. There are cases laid out in there. You could select what you like. Those are clear and proven.

In order for you to collect a debt, you have to establish somebody owes you before a legal authority and due process, have papers served and everything else. The IRS doesn't have to do a thing.

They can arbitrarily decide you owe, walk in, put a hold on your bank account, lien on your property, whatever they want to do. They are judge, jury and executioner.

For the life of me, anything as big as the federal government, I don't know why they need that kind of abusive power.

But the biggest problem is they dropped the "Service" out of "Internal Revenue Service." Their offices are not open. They don't make themselves available to give people advice, and when they do give advice, they don't stand behind it.

Even in a sizable IRS office, the doors are usually locked, the lines are closed. They have racks of taxpayer forms, but you can't find the people.

Most government operations, the Farmers Home Administration, the Federal Housing Administration, Conservation Service, or any of them are generally pretty accommodating. But the Internal Revenue Service has gone to a very insensitive type of

approach where you're just some kind of statistic.

A person can keep getting the same letter over and over and keep answering and sending the letters in and [the answer] is never responded to. They get frustrated but can't get ahold of anybody who will answer their questions for them.

They've gotten so bureaucratic and impersonal that even if it was well-intended, you couldn't find them. Then when they make these horrendous mistakes . . .

I was just in a town in Idaho the other day, and the fellow who was driving me around said, "The IRS just confiscated my bank account. I haven't had any letters from them. Haven't had any difficulty with my tax that I know of, but they took my bank account!"

We got on the phone to the district director of the IRS. They were going to leave it closed for a week. They don't care. In their bureaucratic ways, it doesn't bother them to leave your rent money tied up. Finally, with a little congressional pressure, they took the freeze off it.

That is what I end up [doing], not only for my own district. A lot of congressmen and senators don't understand the problems the IRS is creating and how to deal with the agency.

I found in writing the book, people say, "Doesn't that make them mad at you so they won't cooperate?" Quite the contrary. I don't think they like getting their names in the book.

I guess beside all the horror stories in the book, people are just frustrated at the high-handed bureaucratic lack of sensitivity of IRS operations.

FREEDOM: In your book, there is a mention of a "state religion" in this country. What is that?

MR. HANSEN: The IRS comes along with a "scorecard" of so



Representative George Hansen

many items that will allow you to qualify for a religion and if you don't conform to those, you're not considered to be a religion.

The "state religion" is a group of people that want to prescribe the rules society lives under. In doing so, they create a religion of their own.

What [churches] are running into is arbitrary actions.

They have their "regular regulations" and then a lot of IRS people will tell you they go beyond their regulations where they deal with the public. Very arbitrary sometimes; they leave the rule book behind and do what they please.

They tell Bob Jones University, "You can't do things in your faith and qualify for IRS exemptions." They tell Jones how to believe in order to qualify [as a religion].

The IRS, by picking on unpopular groups, establishes a precedent and then they can come and work it on anybody.

In the Moon situation, as my book points out, the Unification Church was reported to the Internal Revenue Service, not because they were alleged to have not paid their taxes. They were reported for social purposes. Certain sena-

tors and other people considered it to be a social nuisance. They were being punished for their religious beliefs. Here again is a prescription for a religion.

They go out and pick on a group like the Unification Church and establish a precedent which later can be used against the Catholics or anybody else. It's not only a grab for money, it's a grab for power. The end product of any bureaucrat is that he is uncomfortable in a situation in which he cannot control his environment. The IRS, unless it can totally manage the financial structure of the United States, [is] not going to be comfortable.

In Nebraska, Pastor Sileven went to jail. His church members went to jail. Mothers, and their children with them, were pushed out of their homes and out of the state on the basis that they didn't conform to state prescription for religious behavior.

What you end up with is a state-prescribed religion. If you are within certain bounds [whether] Catholic, Protestant, Jewish or whatever, if you'll practice within the state-prescribed bounds, you qualify for Uncle Sam's blessings.

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MOTORGATE

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- threatened the wife with physical harm to the couple's nine children; and

- pressured another witness in the trials to perjure himself.

Judge Chmielinski

Flynn's tactics came under heavy attack from Judge Henry H. Chmielinski in the Motorgate trials.

Although Judge Chmielinski is dead, his reprimands of Flynn during the trials are a matter of public record, as is the bar complaint filed by the judge in which he described Flynn's conduct as "contemtnous."

Behind the scenes in the courtroom, however, even more was going on which, had it been known to the judge, could have led to Flynn's disbarment or even criminal prosecution.

Motorgate

Documentation obtained by FREEDOM includes a five-page sworn declaration from George Edgerly, former director of service at Butler Chevrolet in Lowell, Massachusetts, and a three-page sworn declaration from another person whose eyewitness account corroborates key points of Edgerly's declaration.

Now defunct, Butler Chevrolet was, during the early 1970's, one of the nation's largest automobile dealerships.

It gained national notoriety following the January 31, 1974 murder of Chevrolet Inspector Frank Smith and the subsequent uncovering of multi-million dollar warranty fraud at the Butler dealership.

Smith had gone to the dealership on January 30 for a routine inspection of Butler's warranty records. He stumbled upon evidence of \$40,000 or more in fraudulent warranty work each month. His death at the hands of a Butler Chevrolet employee marked the

beginning of the scandal that came to be known as Motorgate. Murder

The man convicted of Smith's murder is George Edgerly.

Imprisoned since 1976, Edgerly recently revealed previously undisclosed information concerning Motorgate which incriminated Boxford lawyer Michael Flynn.

FREEDOM refused to divulge this information until it had been corroborated. Corroboration of key aspects of Edgerly's charges have since been obtained.

Another source has signed and sworn to a declaration which confirms charges of criminal misconduct levelled at Flynn by George Edgerly. For fear of reprisal, the source requested anonymity.

The Bribe

In a Motorgate trial for fraud in 1976, according to Edgerly's sworn declaration, he was offered a lighter sentence on the fraud charge by the prosecutor, Daniel O'Connell, if he would testify against R. Gordon Butler and Theodore Kemos.

Kemos, former president of Butler Chevrolet, had retained Flynn as his attorney.

Shortly after Edgerly received the offer from the prosecutor, according to his declaration, Flynn approached him with a different proposal.

Edgerly stated that if he did not testify, Flynn promised "they would give my wife Linda five hundred dollars a week for every week I spent in prison."

Edgerly stated, "Flynn also warned me that if I did testify, the judge would allow the prosecutor to bring in the pending murder charge or ask me questions about it which would affect my credibility."

Flynn's alleged bribe and threats, according to Edgerly,

deterred him from testifying.

"Our Word Is Good"

Two weeks later, according to Edgerly's declaration, "Flynn asked me to meet him downstairs from the courtroom."

I was sentenced, directed my wife to the money."

A Bigger Bribe

Following the fraud trial, Butler, Kemos and Edgerly faced another trial on charges of conspi-



Flynn, Edgerly stated, then "surreptitiously handed me ten one hundred dollar bills folded together. He said this was two weeks at five hundred a week and that 'I could see 'our word is good.'"

Flynn, Edgerly stated, then "surreptitiously handed me ten one hundred dollar bills folded together. He said this was two weeks at five hundred a week and that I could see 'our word is good.'"

Edgerly said, "I placed the thousand dollars in a suit pocket in a closet in my home, and later, after

racy to commit larceny.

Edgerly served as his own counsel. Flynn again defended Kemos.

As the trial proceeded, it became obvious to Edgerly that Flynn's tactic was to divert attention from Kemos and Butler and, in Edgerly's words, make him "the fall guy."

Edgerly began to aggressively cross-examine witnesses in the case. Shortly thereafter, according to his declaration, Flynn took him aside.

Flynn, according to Edgerly, attempted to get Edgerly to agree to use cross-examination questions of Flynn's devising; these questions "would help Kemos and Butler," Edgerly stated.

"[Flynn] told me to remember that a lot of money had been put away for me," Edgerly stated.

Flynn then allegedly offered Edgerly an additional \$18,000 bribe.

\$18,000

This second, larger bribe apparently would have been paid but for a technicality regarding the method of payment.

"Edgerly stated that if he did not testify, Flynn promised 'they would give my wife Linda five hundred dollars a week for every week I spent in prison.'"

Edgerly, wanting to ensure that the \$18,000 was actually delivered, insisted that the payment be delivered in full to his wife, Linda.

According to Edgerly's declaration, "Flynn then told me that the money could not be given in a lump sum."

The apparent fear was that such a large payment might be detected, and the bribe made known.

The result was an impasse.

More Threats

When Flynn next cornered Edgerly, according to the declaration, there were more threats.

"Flynn told me that Butler and Kemos wanted me to back off on my cross-examination," Edgerly stated. "He said they would be found not guilty, and would not forget what I was doing."

Edgerly continued, "He then told me that he knew I was concerned about my family and that I had a lot of children who were little. He said that one of them could be hit by a car, and that anything like that might happen to my children."

A day or two later, according to George Edgerly's declaration, Flynn made equally ominous threats to Linda Edgerly.

Children

George Edgerly's sworn declaration also details the threats Flynn allegedly made to his wife.

According to Edgerly, the threats occurred during the same conspiracy trial, after the alleged \$18,000 bribe had fallen through.

As described by both Edgerly and the eyewitness, Edgerly was at the time aggressively cross-examining Butler and Kemos. Flynn, having failed to dissuade Edgerly from his tough questioning, approached Mrs. Edgerly.

According to the eyewitness, Flynn told Mrs. Edgerly that she was there every day watching the trial. He allegedly asked her, "While you're here watching the trial, who's home with your children?"

Flynn's words reportedly hit Mrs. Edgerly with enough force to make her tremble.

Break Pretty Legs

As George Edgerly persisted in his vigorous cross-examination, Mrs. Edgerly reportedly was subjected to another threat.

The threat, as related by the eyewitness, was made in the hallway of the Fitchburg, Massachusetts, Courthouse.

Flynn told Mrs. Edgerly, "It will be a shame to break pretty legs," the witness said in the sworn declaration.

Mrs. Edgerly, according to the eyewitness, was transfixed with terror by the threat.

George Edgerly noted in his

declaration "Thereafter, except for the verdict, Linda did not come back to court."

Intimidation Tactics

Michael Flynn's intimidating and apparently illegal methods of seeking to influence the outcome of Motorgate litigation may not have been confined to Linda and George Edgerly, FREEDOM learned.

Severely Upset

Another source, who asked to remain unidentified for purposes of self-preservation, answered some routine questions regarding Motorgate, but became severely upset when Michael Flynn's name was mentioned.

The person was even more distraught when questions were asked regarding Flynn's conduct during the Motorgate trials.

Strong-Arm Tactics

Already on record is the fact

that Judge Chmielinski took Flynn to task for apparent strong-arm tactics brought to bear on witness James Dolson.

As reported to the judge by Dolson, Flynn pressured him, out of the courtroom, to change his testimony to favor Flynn's client.

The court record shows that Dolson rebuffed Flynn's attempt; what Flynn wanted him to say, Dolson said, would have been "an out-and-out lie."

Dolson also told the court, "I told [Flynn] I'm not perjuring myself for anybody."

Investigation Continuing

FREEDOM is investigating other instances of intimidation tactics or possible criminal misconduct.

In our previous issue of FREEDOM, the sworn statement of Ala Fadili Al Tamimi documented

the intimidation tactics of Michael Flynn.

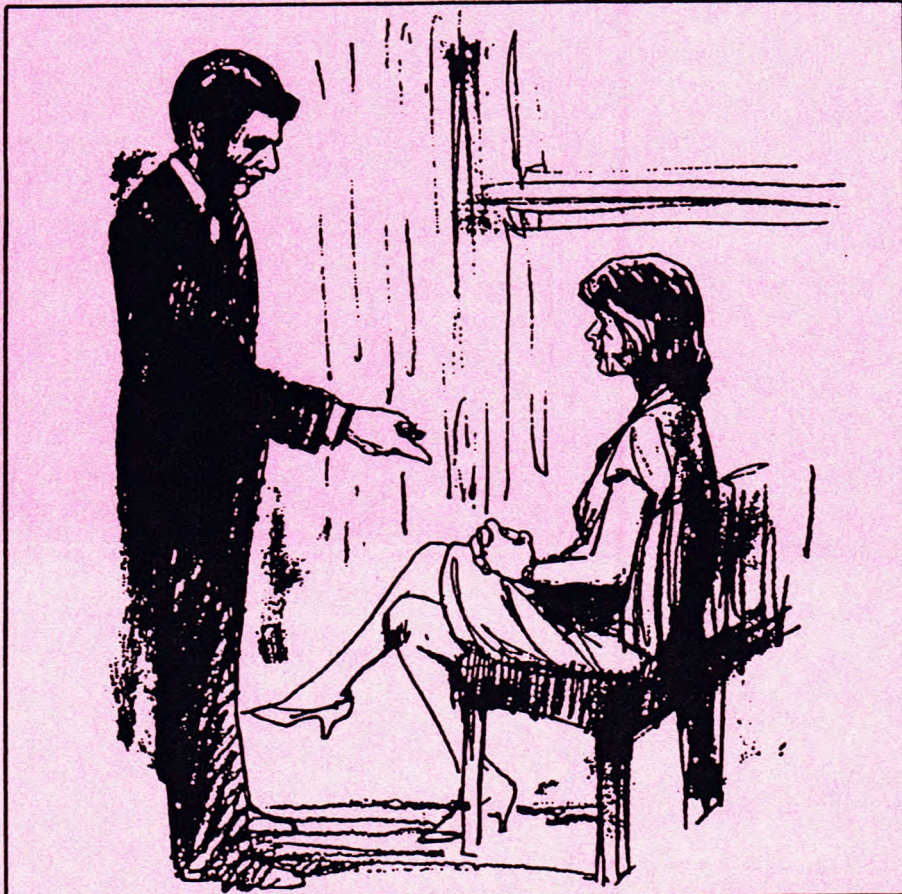
According to Tamimi's sworn statement, Flynn told him, in the presence of other witnesses, "Do not f--- us because you have a brother and son in Boston."

Six years passed between when Flynn allegedly threatened and intimidated the Edgerlys, and when he used similar tactics in a \$2 million forgery attempt, according to the sworn statement of Ala Tamimi. In the intervening years, it appeared that little had changed. **A**

Note: FREEDOM contacted Michael Flynn's office in order to obtain comment on allegations contained in this story. Mr. Flynn did not return FREEDOM's call.

The allegations in this article may be just a portion of Butler Chevrolet's unrevealed past.

FREEDOM will continue to report the results of the ongoing investigation.



"Flynn told Mrs. Edgerly, 'It will be a shame to break pretty legs,' the witness said in the sworn declaration."

Through his association with gamblers who break legs, Hollingsworth allegedly fixed a gambling debt in exchange for procuring help in a scheme to forge checks and divert \$2,000,000 to a New York bank where it was to be transferred to Grand Cayman Island.

The confrontation erupted during a lawsuit brought against Hollingsworth by Pappas, in which he claimed Hollingsworth illegally retained over \$300,000 of partnership assets.

Affidavits submitted by both Pappas and former Hollingsworth associate Daniel Lenzo declared that Hollingsworth not only knew Ala Fadili Al Tamimi but that he also knew of extensive legal services paid by Tamimi to Hollingsworth's firm.

Hollingsworth's denial was included in a request to delay bringing the lawsuit to trial. Attached to Hollingsworth's request was a copy of the FREEDOM that told of his involvement with Flynn's criminal conspiracy.

Tamimi stated he met Hollingsworth at the Liberty Bank in Boston in late 1981. Pappas and Hollingsworth were in the bank and Pappas introduced them, Tamimi said.

In the suit brought by Pappas, Hollingsworth went to great lengths to deny any knowledge of or connection with Ala Fadili Al Tamimi. He stated, "... I do not know the person identified as Ala Fadili ... and have never, to my knowledge, met Ala Fadili ... I have never had any dealings with Mr. Fadili on either a professional or personal basis."

Pappas's affidavit, on the other hand, corroborated FREEDOM's account that Hollingsworth had known Tamimi. "In approximately October or November 1981," Pappas stated, "I introduced Mr. Hollingsworth to Ala Fadili at the Liberty Bank and Trust on School Street in Boston. On that occasion, Mr. Hollingsworth and I were in the bank on business, and we ran into Mr. Fadili and one or more of his brothers at the bank. I introduced Mr. Hollingsworth to them."

Pappas further challenged Hollingsworth's contention that he had no idea that services were being rendered to Tamimi by Hol-

HOLLINGSWORTH

continued from page 1



lingsworth's law firm. According to Pappas, "[Hollingsworth] was introduced to Ala Fadili and was aware of the services being performed for Fadili at the time they were being rendered.... Furthermore, internal firm payment records (prepared by Mrs. Hollingsworth, the firm's bookkeeper, and given to both Hollingsworth and Pappas) show repeated payments to the firm by Fadili during the first half of 1982. Other documents reflect Hol-

lingsworth's participation in matters concerning Ala Fadili in the first half of 1982. Both Pappas and Daniel Lenzo, a Hollingsworth and Pappas attorney, recall discussing Fadili's representation with Hollingsworth during the first half of 1982."

Further Substantiation

Daniel Lenzo further substantiated Tamimi's 29-page affidavit. Tamimi claimed that he and

Michael Flynn were both in Florida in June 1982 when the news arrived that the forged check had been stopped at the bank. Akil, Tamimi's brother, stated in his affidavit that he was sent to Maine so he could stay out of sight, and his brother Ala visited him there.

Daniel Lenzo, in his affidavit of August 23, 1984, stated he had intended to meet Ala Fadili Al Tamimi in Florida on June 13, 1982 concerning a legal matter he was handling. When Lenzo arrived at the Boston airport to catch his flight to Florida, however, he was met by an employee of Tamimi who said that Tamimi "was not going to accompany us and that something had come up which required him to go to Maine...."

As Akil told the story, he and Ala flew to Boston from Florida after the check forgery was discovered. Because of fears that Akil would be recognized in Boston, he was driven to a ski resort near Portland, Maine, where he stayed in a hotel for about two weeks. "Ala and [deleted] visited me at this hotel a couple of times," wrote Akil. "Once, the three of us went for a ride to Vermont. During this ride, I overheard Ala and [deleted] talking about Michael Flynn and his involvement in the check forgeries."

"Desperate Effort"

The charges against Hollingsworth are serious. According to Pappas's affidavit, "Hollingsworth is alleged to have during April and May, 1982, through his association with gamblers who break legs, fixed a gambling debt in exchange for procuring help in a scheme to forge checks and hence divert \$2,000,000 to a New York bank, whence the money was to be transferred to a newly-opened bank account in the Grand Cayman Islands. Hollingsworth is alleged to have participated in

continued on page 14

KILLING

continued from page 4

On June 3, 1983 the FBI made its move.

More than 30 law officers, including FBI agents, U.S. marshals and state and local authorities, were brought together to form the FBI task force. Armed with a search warrant and an arsenal of automatic weapons, they launched a search for Gordon Kahl.

The FBI had received information that Kahl was staying with some friends on a farm about five to six miles off a secondary highway near Smithville, Arkansas. The house, designed to be energy efficient, was built into the side of a hill.

As the agents drove up the gravel road to the house, Kahl's friend and the owner of the house, Leonard Ginter, walked over to greet them and find out what they wanted. He was promptly arrested and handcuffed.

They surrounded the house, obviously anticipating another major shootout, and Leonard was told to call his wife, Norma, outside. As soon as she appeared she was also arrested and handcuffed.

According to the Ginters, Kahl was oblivious to the events outside the house. He was sitting in front of a TV — the volume turned up as high as it would go to overcome his deafness — finishing a dinner of hot dogs and beans.

Sheriff Gene Matthews and two other agents entered the house — now fully surrounded by more than 30 agents — to talk to Kahl. Reports had been circulating that Kahl was willing, via his attorney, to surrender to federal authorities, and Matthews, a longtime friend of Kahl's, was hoping to talk him into doing so.

Once Sheriff Matthews and the two agents got inside the house, a shot rang out, and the sheriff was seen to stumble into the adjoining garage, unwounded but dazed.

The agents trained their fire on the garage, launching tear gas canisters into it at the same time. Sheriff Matthews, attempting to escape the eye-searing gas, staggered out of the garage. As he turned the corner of the house, rubbing his eyes, a bullet hit him in the chest and he collapsed. The two agents who had gone into the house with him ran out and pulled him out of the line of fire. He told them Kahl was dead.

The rest of the task force apparently did not get the message that their target was dead.

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The charred and bullet-ridden home of Norma and Leonard Ginter several months after the death of Kahl.

I.R.S.
F.B.I.

Psychiatric Abuses
Government Fraud
Human Rights
Religious Freedom

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FREEDOM: 16 Years of I

Since 1968, FREEDOM News Journal has uncovered abuses in areas that have included:

• **PSYCHIATRY** . . . Reports in FREEDOM since 1968 have documented the harmful effects of such controversial psychiatric treatments as electro-convulsive "therapy," forced drugging of mental patients, and psychosurgery.

One example of FREEDOM's work in this area was its 1976 exposé in South Africa of thousands of blacks that FREEDOM found confined in "mental hospi-

tals" which were actually labor farms for large industries keeping blacks in slave conditions in abandoned mining shafts and employing shock treatment to enforce obedience.

• **CENTRAL INTELLIGENCE AGENCY** . . . FREEDOM's exposés regarding the CIA have ranged from documentation of biological warfare experiments performed by the CIA on unwitting human subjects in New York, Florida and Pennsylvania to manipulation of news media by the

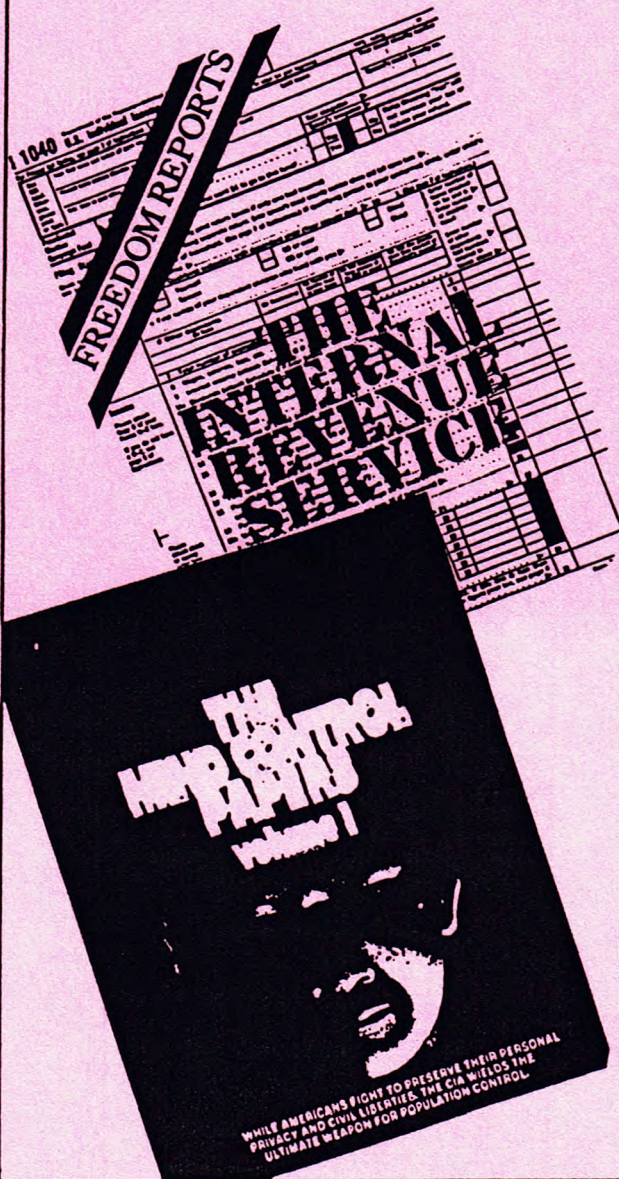
agency in the United States and abroad.

FREEDOM documented how the CIA, in "Operation Big City," performed open-air biological warfare tests in New York City. Further documentation by FREEDOM disclosed other open-air tests in Florida which may have been responsible for the death of 12 infants in that state's subsequent outbreak of whooping cough.

• **INTERPOL** . . . FREEDOM uncovered the hidden Nazi past of Interpol, the private, interna-

tional police organization. FREEDOM found that Interpol's past presidents had included Reinhard Heydrich, the chief of the intelligence arm of the Nazi Party during World War II, and Ernst Kaltenbrunner, another high-ranking Nazi, executed in Nuremberg for his ghastly war crimes as head of the German security police during World War II.

Incredibly, FREEDOM also found that Interpol's president up to and into the 1970's was Paul Dickopf, another Nazi official during World War II.



IRS manual	1972-1975
IRS "enemies list"	1972
IRS illegal and abusive searches and seizures	1973-1983
IRS targeting of religious and educational groups	1979-1984
Psychiatric abuses and deaths in mental hospitals	1973-1984
Psychiatric abuses and criminal activities in mental health camps in South Africa	1975-1977
FBI/Nazi connections	1976-1981
FBI abuses and illegalities	
FBI COINTELPRO activities	
Interpol — its Nazi background, abuses and unauthorized use of confidential information	1974-1978
CIA activities in drug running	1977-1981
CIA mind control experiments	
CIA chemical and biological warfare experiments	
Department of Justice coverup of CIA illegalities	

Investigative Reporting

• **INTERNAL REVENUE SERVICE**... FREEDOM has covered the growing grassroots tax rebellion since 1972, interviewing a large number of current and former agents of the IRS. These interviews have revealed abusive and illegal actions performed by IRS agents, and disclosed as well how IRS directors encouraged and even enforced such actions.

The exposés in this area have included the publication of "The IRS Papers," a collection of more than 200 pages of previously secret IRS documents.

• **FEDERAL BUREAU OF INVESTIGATION**... Startling revelations about the FBI came in FREEDOM's 1978 interview with ex-agent M. Wesley Swearingen. Swearingen, with nearly 25 years in the FBI, detailed illegal black bag jobs (burglaries), illegal gambling activities and a complicated system of "false informers." Under this system, agents would often fabricate "informers" as well as fabricating the "information" they were receiving in order to meet bureau quotas. The information was routinely processed

and the money was duly recorded as paid to the nonexistent "informers."

• **RELIGIOUS LIBERTY**... Reporting on the theme of religious liberty has been a major thrust in FREEDOM's coverage of the news.

Investigative features have probed the controversy surrounding Christian schools in Nebraska and that state's refusal to allow religious leaders to run the schools according to their faith.

Other investigations have

uncovered attacks on religion by psychiatry, and even by agencies of the federal government, particularly the IRS.

• **GOVERNMENT COVER-UPS**... FREEDOM obtained and published the exclusive story of Duane Yorke and the coverup of severe problems with the F-111 fighter plane.

As FREEDOM celebrates its 16th year, the following chart reflects a few of the stories that FREEDOM has made broadly public, and some of the results. a

Congressional hearings.

Laws passed prohibiting actions and methods described in the manuals.

Law passed outlawing the IRS from making such lists.
Actions investigated by Congressional committees.

Congressional investigations and hearings.

Laws and regulations passed requiring the IRS to stop all searches and seizures unless a valid court order obtained.

Congressional investigations and hearings.
IRS policy changes.

State investigations.

Legislative bills introduced and passed on mental health and patients' rights.

Anti-Electro-Convulsive Therapy legislation passed.
Funding cuts.

Closing of the patient camps.

Congressional investigations and hearings.

Legal restraints imposed on illegal FBI activities.

Congressional oversight committee on the FBI formed.

Congressional investigations and hearings.

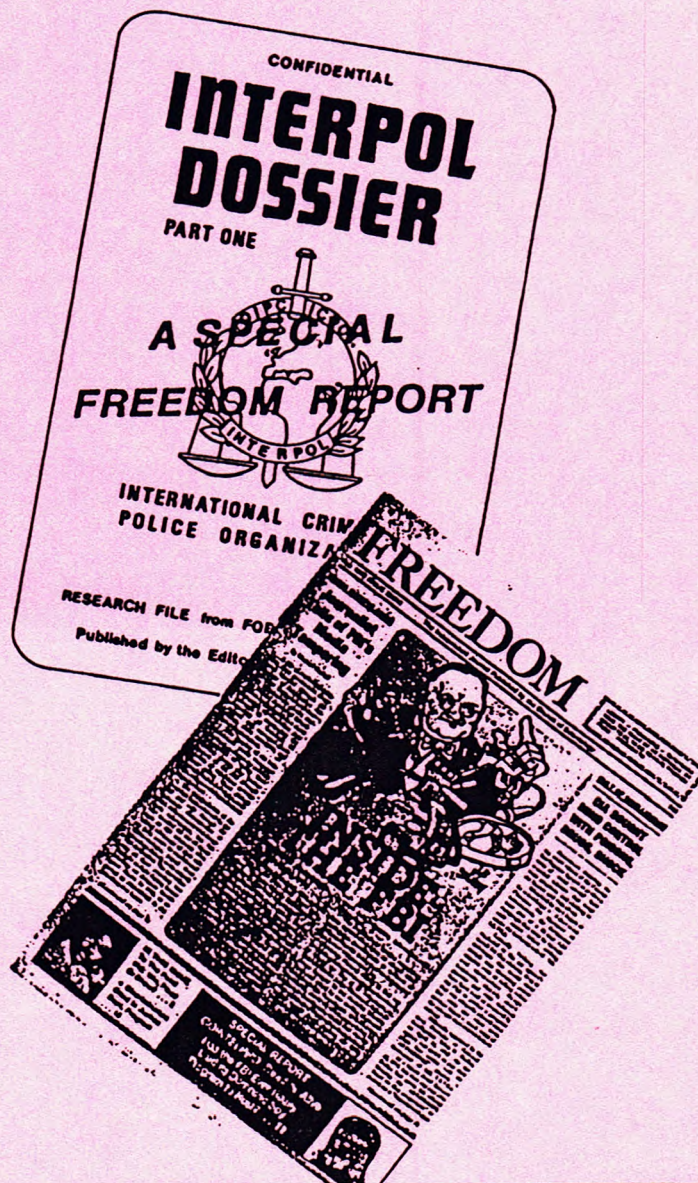
Funding cuts.

Supporting states withdrawn from Interpol membership.

Congressional investigations and hearings.

Congressional oversight committees on CIA activities formed.

Legal restraints placed on the illegal activities of the CIA.



To Harass Our People

A Review of Congressman George Hansen's Recent Book on the IRS and Government Abuse of Power

by John Lawrence

The door burst open. Eight heavily armed men rushed into the living room, ready to fire.

Next door, the small cabinet shop was invaded by more men, armed with M-16 rifles and sub-machine guns, who aimed their weapons directly at the owner of the shop.

Approximately 40 officers, led by IRS agents, had taken over the property.

The target of the assault was not Al Capone. It was an Amish couple, Dwight and Hallie Snyder, accused of owing taxes from eight years before. Though their case was in the courts, the IRS decided to move drastically and seize their property without notice and even without a search warrant.

U.S. Congressman George Hansen (R-Idaho) relates the above incident of terrorism as well as numerous other IRS atrocities in his newly released book, *To Harass Our People* (Positive Publications, Washington, D.C.).

Hansen has long stood, often alone, as an outspoken critic of the IRS. As related in the book, he has not escaped their vengeful techniques.

In his 1976 campaign, for example, some of the higher-ups in the IRS pulled a number of "dirty tricks" to try to throw his election.

IRS officials worked with Hansen's opponent in the congressional race, feeding the local press false information about Hansen's tax situation only days before the election.

Hansen narrowly won the race, and through arduous investigation later discovered that the illegal and erroneous "leaks" were an orchestrated attempt by certain IRS officials to cost him his job.

Apparently, the architect of the illegal attempt to "rig" a congressional election was then-District Director Howard Martin, who was known to have told IRS employees, "A lot of heads of other agencies and myself are worried about Hansen" and asked them if they had any ideas how to "get" Hansen.

Though there seems to be substantial evidence that Martin was involved in illegalities during the campaign, a promised grand jury has not occurred. Shortly after the election, Martin was promoted.

To Harass Our People details the unprecedented powers of the IRS to attach bank accounts, seize property without a court order, and attach wages. As Hansen says, it "enjoys the privileges of a

sacred cow and behaves much like a mad bull."

So much power, Hansen says, has been usurped from Congress by the IRS that it has become a law unto itself.

The atrocities committed by the IRS go far beyond anything one could reasonably expect would be needed to "raise revenue."

There is the little janitor of a local church who owed less than \$3,500 in taxes and interest and

penalties. The IRS spent more than \$20,000 convicting him.

There is the farmer who was shot dead because he did not want to pay \$39.65.

And there is the aborted attempt to conduct an armed house-to-house search of a small town to find those who were not voluntarily paying taxes and "to educate" the people about taxes.

The book lays out numerous examples of Gestapo-style gang-busting atrocities.

But beyond that, it is a thoughtful work asking the questions, "Why?" and "What can we do about it?"

Before long it becomes apparent that the IRS is a creature of the laws that it administers. The tax code is so complex and convoluted it is not without reason the IRS can boast that they can "get" something on anyone. With this ability, the agency immediately becomes an instrument for social tyranny.

The unpopular, those whose political or even religious opinions are unwelcome by those in power, can be targeted and "gotten" by the IRS. Because the tax codes are so complex, anyone standing up for the unpopular can also be "gotten." It is little wonder that the IRS can strike fear in the hearts of the citizens of a free country.

The complexity of the tax codes is such that a reasonably intelligent person cannot determine whether or not he is actually within the law when he computes the amount of taxes he thinks he owes. He knows that somehow he could be "gotten." As a Supreme Court justice once remarked, such a law is a violation of due process.

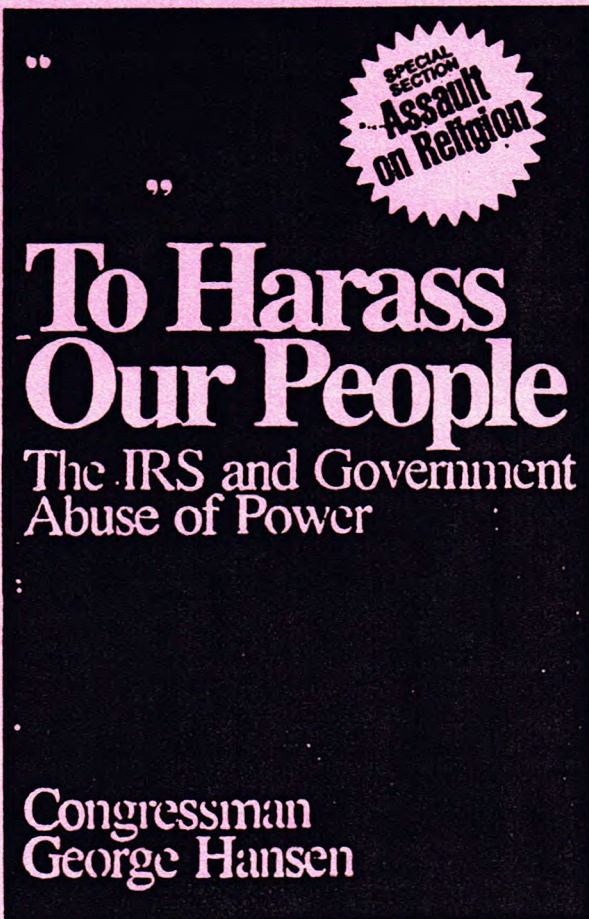
A message of this book is that Congress needs to pull in the reins on the IRS. Its atrocities have been allowed to run unchecked for too long.

After the agency has been tamed somewhat, a real reform of the tax code can be undertaken. Mr. Hansen suggests a number of possibilities.

But the question remaining is what to do to make Congress do its job regarding the IRS. Mr. Hansen's answer is too powerful to be ignored:

"Probably the only thing that frightens or disturbs an elected official more than the IRS is an enraged electorate — a constituency demanding to be heard, or else. Certainly, the creation of such an uprising is one of the goals of this book."

"Congress needs to pull in the reins on the IRS. Its atrocities have been allowed to run unchecked for too long."



HANSEN

continued from page 5

IRS bureaucrats, more than Congress, set the regulations for what qualifies [as a religion].

FREEDOM: Was the recent "investigation" into your financial affairs orchestrated by the IRS?

MR. HANSEN: The IRS had their shot at me in 1976, and we beat them.

The chief of the Criminal Division of the IRS in a state adjoining Idaho "leaked" tax information, not only illegally, but incorrect information, trying to damage me 10 days before an election.

We won the election, but then the IRS used [the incorrect information] as their excuse to send a Criminal Audit team after me. When the smoke cleared, they ended up paying me over \$10,000. So we broke their chops on that one.

But after that, I went after the Justice Department. Their agents had been in Mexico getting Mexican citizens, bringing them across the border illegally all the way up to Idaho farmers for farm laborers and then arresting the farmers for "trafficking."

Eleven farmers were arrested. It was brought out in the trial what the Justice Department had [done].

It's not illegal to hire an alien, but it's illegal to traffic in them, and the government was doing the trafficking.

It cost the farmers their seed money and their harvest money to prove their innocence. The judge said this was the worst case of legal entrapment he had seen, but the Justice Department went right out to the press and stated, "We don't know what went wrong, but we're going to keep doing it anyway."

So I've been after the Justice Department and the IRS. Because of this I've made a lot of enemies in the Establishment here and the Justice Department has been very badly embarrassed.

I think it's a combination of the Internal Revenue Service and the Justice Department, because I've embarrassed them over some of their behavior.

I had cleared my actions six years ago with the House Ethics Committee and I have proper signatures, but I was denied taking Congressional files into court to prove our situation.

We have a very strong case once we can get it into court. My attorney is 110 per cent sure we can win. In the meantime there will be a large number of members of Congress filing a brief in my behalf — both political parties are involved — against the fact that this [disclosure law] was ever intended to be criminal.

We have every reason to believe that the federal government

wrote a blackmail letter in a sting operation trying to upend Bunker Hunt. The allegation was that Hunt had attempted to bribe me through a loan to my wife.

Hunt reported the blackmail letter to me and I said, "That's got to go to the Justice Department." I turned it in.

There has been no attempt on my part to hide anything. When the Justice Department kept dragging their feet, I took it to Jack Anderson; I took it to the media.

The government has no business creating crime — that makes the government a criminal government.

FREEDOM: You first appeared in the news as the only elected American official to visit the hostages in Iran. How did that happen?

MR. HANSEN: I called the Iranian embassy... I had noticed the people in Iran shaking their fists in demonstration saying "Carter no, People yes!" — [did] that mean they are complaining about President Carter but they like the American people?

"The government has no business creating crime — that makes the government a criminal government."

"Yes, that's true," [was the answer].

I said, "Then you're saying that you don't want the President or his emissary in Iran, but you are saying that there is no objection to an average American citizen going there?"

Then I had a little soul-searching to do. Was it right to go? Did I want to go? Should I go in light of political problems it might cause regarding reelection, and a problem to my wife in terms of her concern for safety?

My wife said, "I don't know how you can not go once you have the opportunity. They're locked up in there, and nobody can get in. It seems like you ought to go and see if you can get the doors open... to get them out."

It was not impossible to get in, and I felt that if I could open the doors to the hostages, if we could head off a war on the doorstep of the Soviet Union it would be the wise course of action.

The more I got into it, it looked

like a set-up. Special interest groups who had something to gain over there were egging us into a situation to provoke a crisis to get martial conditions declared, such as freezing the bank accounts to protect the banking interests — even perhaps draw the United States into a military action and reclaim the oil assets for some of the big multi-national interests, particularly the Rockefellers.

I didn't think we needed to be going to war to protect the Chase Manhattan Bank.

The Iranian government wanted to send the hostages home. They just wanted a hearing. My committee [House Banking Committee] was willing to give hearings, but President Carter said there would be no hearings. He ended up with those hostages sitting on his neck for 444 days.

FREEDOM: Is there any sign that the IRS is willing to make changes?

MR. HANSEN: There are people in the Internal Revenue Service

government like the IRS to the point of being intimidated and scared to death, so they find ways to go get out of the system.

Cash and barter — all sorts of things — have caused the graduated income tax program to fail as a fund raiser for the U.S. Treasury. It's running \$4 billion in the red every year and a trillion dollars in the underground economy. If you got a reasonable tax on that, you'd have enough to balance the budget.

Mr. Mondale comes along and says, "We got to have higher taxes to control that deficit." That's not very creative. What we ought to be thinking is how to get those people who aren't paying their taxes into the system.

If we can get back to what the real concept of what the tax was, take the bite out of the IRS so they wouldn't beat people up, make them collect their money like anyone else so people don't fear doing business with them, I think you'd see more people willing to go back into business.

Also a flat rate tax; you could dry up the underground, dry up useless tax shelters people get into, and balance the budget.

FREEDOM: What control measures should Congress have to ensure the IRS is accountable?

MR. HANSEN: We have a couple of bills in. One is the Taxpayer Protection Act which has well over 100 members of Congress sponsoring it.

A lot of them are nervous about getting on; they know the retaliation they could be subject to.

Nevertheless, we have a bill that would make the IRS behave itself like everybody else has to under the Fair Debt Collection Practices Act. Provide an ombudsman for people to go to, to clear up their problems. They say they have one now, but you can't find him.

FREEDOM: Those of us who would like to do something about the IRS as private citizens, what can we do?

MR. HANSEN: There has to be a real concentrated effort on the part of the public to demand that their congressmen perform properly and responsibly to the public.

A lot of congressmen, you know, go along and get along, and play the Establishment game unless their constituents really put the heat on them.

They say politicians see the light when they feel the heat. There have been issues where the public clamor upended the special interests here in Washington, and [the special interests] screamed and hollered, and we beat them.

What can people do? Let their lawmakers know they mean business, and they're not going to put up with anything less than what is necessary to keep the country free. a

who are conscientious and want to do their jobs. No organization is all good or all bad. Some of them felt the agency was running away with itself and helped me write the book.

But there are others who don't behave, don't learn, they get meaner if you challenge them. That seems to be the general trend of the attitude of the IRS. Instead of easing up or accommodating people over the blunders the IRS makes, a lot of them use any adversity with the public as an excuse to go for more billy clubs.

I have plenty of evidence that shows in the book that many of the masterminds of the IRS actively contrive confrontation with the public so they can go to Congress and justify that they need more muscle to deal with a public that doesn't want to pay its taxes.

Frankly, the public gets a bad rap from the IRS. United States citizens are basically a law-abiding people who want to pay their fair share of taxes, but will not go for a

meetings where the scheme was discussed and to have been actively involved in it."

Hollingsworth claimed in his request for a delay that Pappas conspired to create the recent damaging publicity on Hollingsworth, implying that the "scurrilous, defamatory, and untrue" allegations were somehow Pappas's doing.

Pappas dismissed the charge as "a desperate, last-ditch and frivolous effort to avoid a hearing on the merits" of the case.

Lawsuit Against Hollingsworth

Problems between the two attorneys began after Hollingsworth abruptly ended their partnership in March 1983. Though Pappas repeatedly attempted to resolve their differences, Hollingsworth stubbornly refused to acknowledge that Pappas was due any part of the assets of their former partnership.

Finally, in July 1983, Pappas filed suit.

In the suit Pappas listed real estate, office equipment and attorney fees amounting to \$980,000 which were assets of the firm of Hollingsworth and Pappas. As they had been equal partners, Pappas claimed he simply wanted his share of these assets.

Diversion of Partnership Funds

Pappas also claimed that Hollingsworth had repeatedly diverted partnership funds for his personal use, including:

- \$32,000 for a Mercedes Benz
- \$28,000 for a Grumman Tiger aircraft
- \$50,000 for a Sea Lake plane
- \$15,000 for a "loan"
- \$25,000 for a "personal loan"

Pappas claimed that June Hollingsworth, bookkeeper of the firm, had written a check for an unspecified amount to the Guinness Mahon Cayman Trust Ltd., described as a "loan repayment," that Hollingsworth never adequately explained.

"I have also been told," Pappas said, "that Mr. Hollingsworth has

HOLLINGSWORTH

continued from page 8



"borrowed" over \$100,000 from some source in the Cayman Islands and that he has a bank account there."

Serious Allegations

Besides the check forgery conspiracy, Pappas cited another lawsuit in which serious charges have been leveled against Hollingsworth.

According to Pappas, "Former clients of a firm with which Hollingsworth was involved prior to Hollingsworth and Pappas have recently filed charges in a federal court suit, alleging that Hollingsworth participated in the wrongful retention of \$3,000,000 in funds belonging to the client and that Hollingsworth improperly refused to turn over client papers, instead holding them for a \$50,000 ransom and causing the loss of some \$22,000,000 of the client's money."

The charges were made in a suit filed by Paul Holian, another former associate of Hollingsworth, against two former clients for non-payment of attorney fees. The allegations against Hollingsworth were made by the defendants in the Holian suit, who claim Hollingsworth stole their business records and transferred their money into his own account while he was representing them with Holian.

George Osserman and Paul Garfinkle, the defendants, were in partnership as financial consultants when they were indicted with nine others for fraudulent tax shelter dealings in 1980.

When the indictments were handed down in a Boston court, the two men hired Paul Holian to represent them. Holian convinced them that Hollingsworth, as a former Assistant U.S. Attorney

in the Boston U.S. Attorney's office, could be very helpful in their defense because of his strong government connections.

Hollingsworth then became Garfinkle's attorney, with Holian continuing to represent Osserman. According to sworn statements filed with the court by both Osserman and Garfinkle, Hollingsworth convinced them to turn the records and funds of all their businesses over to him for "safekeeping" until the court case was over.

Hollingsworth was entrusted with 27 boxes of records and accounts showing balances of over \$3,200,000, and was instructed by his client to transfer them from Grand Cayman Island to Nassau. Seven of the boxes were later reported by Hollingsworth as "lost" in Customs in Nassau.

The missing records were crucial to Osserman and Garfinkle's defense. Their loss also made it impossible to determine the amount of money actually transferred by Hollingsworth.

The two men say they have never seen either the records or the money again, and claim they later discovered the records were never lost at all but were secreted away by Hollingsworth, making it impossible for them to defend themselves in court.

The defendants further charged that Hollingsworth attempted to take over their international corporations by giving false information about them to their business associates.

It was during this time, the two former clients state, that Hollingsworth was to deliver certain records to them in South Africa which they needed to recover an alleged \$20,000,000 worth of assets that had been misappropriated by one of their business associates.

According to documents on record in a South African court, when Hollingsworth arrived in that country with the records he refused to turn them over to Garfinkle. Instead, Hollingsworth demanded that he first be paid over \$50,000 in "attorney fees."

From Boston, Holian confirmed that there were no outstanding attorney bills to his clients, but Hollingsworth persisted in his demands and informed Garfinkle that if he didn't receive the money he would leave the country and take the records with him.

Despite a court order restraining Hollingsworth from leaving, he fled South Africa with the records, depriving his clients of the evidence they needed to recover \$20,000,000.

Substantiating Evidence

A sworn statement by Certified

The defendants claimed that Hollingsworth stole their business records and transferred their money into his own account.

Public Accountant Bruce Gardner substantiates the allegations made by Osserman and Garfinkle.

In June 1980 Gardner accompanied Hollingsworth to Nassau where they went through "every record and document dealing with Imperial Finance," one of Osserman's and Garfinkle's companies.

According to Gardner, "This took a number of weeks to accomplish and also required periodic travel to Grand Cayman and back, as well as to Fort Lauderdale, Florida, for record checks, verification of transactions and so forth."

Gardner claims Hollingsworth removed certain documents from the records and put them in a briefcase, informing Gardner that he wanted to keep tabs on them and that they were key pieces of vital information related to various transactions of Imperial Finance.

Hollingsworth later called Gardner from South Africa and told him he was sending him the briefcase of documents he had assembled from the islands.

Gardner's affidavit states, "It is my understanding from information received later that Mr. Hollingsworth had left South Africa with the above referenced records and that said records were, in fact, needed in South Africa for litigation purposes in order to recover millions of dollars discovered to have been misappropriated by a trustee or official of Imperial Finance."

"It is also my understanding that Mr. Hollingsworth was well aware of the value and need for said records. Further, Mr. Hollingsworth had left the country with the records in violation of a South African court order forbidding such removal and that an order for his arrest had been issued."

Missing Money

Gardner claims there is evidence to show that Hollingsworth appropriated funds from Osserman's and Garfinkle's accounts and kept them for himself.

He stated that Hollingsworth "may have been responsible for the disappearance of the \$140,000 to \$160,000 missing from the transfer of Imperial Finance assets from Grand Cayman to Nassau." Gardner said he based his suspicion on the following facts:

"1) Mr. Hollingsworth claimed and, in fact, showed me a copy of the document giving him a General Power of Attorney over all records, bank accounts, files and information concerning Imperial Finance.

"2) That the bank(s) in Grand Cayman had indicated that all transfers of Imperial Finance assets had been completed with all records, accounts and all assets in any form turned over to the bank(s) in Nassau. The

Hollingsworth had left the country in violation of a court order and an order for his arrest had been issued.

bank(s) in Nassau in turn claimed they had not received such and to date, cannot account for the missing moneys.

"3) That Mr. Hollingsworth informed me that he had himself personally directed and handled

the transfer of all materials from Grand Cayman to Nassau."

Hollingsworth Targetted

Osserman and Garfinkle were subsequently found guilty and sentenced. They are now claiming

that it was Hollingsworth's criminal actions as their attorney that led to their conviction.

Their allegations include charges that Hollingsworth used government credentials to obtain special favors, although Hollingsworth claimed he had not worked for the government since 1978.

When FREEDOM attempted to contact Hollingsworth he was not available and did not return the call. Pappas said that he could not comment due to the current litigation, but said, "It will all come out in the trial."

With allegations levelled against him from several sources and more witnesses coming forward to substantiate his involvement in criminal activities, Hollingsworth may find himself having to answer some very probing questions. A

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Religious Leader Challenges IRS Threat to First Amendment



Pastor Edgar Koons

Dr. Edgar Koons, pastor of the Hazel Avenue Baptist Church in Fair Oaks, California, has been an outspoken critic of the IRS and a staunch advocate of separation of Church and State. The president of First Freedom, a nationwide First Amendment rights group, Pastor Koons is also president of

the American Council of Christian Churches of California. He is a well-respected figure in the religious community.

The Internal Revenue Service, unfortunately, does not share that respect.

Earlier this month, Pastor Koons's church received a letter

from the Oakland office of the IRS. The letter stated:

"We are assigning your account to a revenue officer who will take actions necessary to collect the taxes. These actions may include seizure and sale of your property."

The IRS's threat of seizure is the culmination of a two-year battle Koons has waged over whether or not his church must pay several years in back Social Security taxes. The church has won its exemption now, but the IRS wants \$96,393.51 for previous years when the church was not officially exempt.

According to Rev. Koons, the trouble stems from a brief period in 1983 and the first part of 1984 when the IRS implemented a regulation, SS-15, making it a church's responsibility to pay Social Security taxes for its staff. Recently, the Deficit Reduction Act of 1984, which states that churches are not required to pay individual staff Social Security taxes, has gone into effect, overriding the IRS regulation.

The IRS, however, appears determined to force the issue with the Hazel Avenue Baptist Church.

After a two-year search the IRS unearthed a copy of an old IRS form, filed in 1963. Former Hazel Avenue church personnel had filed the form, waiving their right to Social Security tax exemption.

According to the law, churches have the option either to pay the tax and claim Social Security benefits, or not pay the tax and not claim benefits. If a church signs a waiver of exemption, it is then supposed to pay the tax and claim the benefits.

Neither Pastor Koons nor any of his current staff ever signed an exemption waiver, and none were aware of the 20-year-old document until the IRS sent notice of it.

Koons challenged the IRS's assessment, since none of his staff had taken Social Security benefits during the time period for which the church had been assessed.

The IRS, however, was apparently not interested in clearing things up. Koons has received only form letters from the agency in response to his many attempts to resolve the matter.

His attorney, Bob Pye, told FREEDOM, "The IRS has gotten fairly hard-nosed about making deals. It's just policy from Washington to go for maximum collections."

Now, faced with imminent seizure and sale by the IRS of his church's property, Koons may have no option but to sell his property himself to pay the \$96,393.51. Either way, the Hazel Avenue Baptist Church is faced with the loss of its property.

The IRS appears impervious to the church's plight. "It is a precarious position," said Pye, "with the issue of separation of Church and State, for the IRS to seize church property. It violates the First Amendment, but the IRS doesn't seem to view the church as any different from any other taxpayer."

Pastor Koons views his challenge to the IRS as a test case. "This certainly leaves us in a position of desperation," Koons told FREEDOM. "Where can a small church come up with that kind of money when it is already working hard just to make ends meet?"

"It is clearly a violation of our First Amendment rights," Koons continued, "and of the statute that grants churches exemption. We are being threatened with having our property confiscated by the IRS. No one has ever tested them before on this issue. A test case is needed, so we're testing it."

As word of Pastor Koons's challenge spreads, one observer commented, the IRS may find itself with more opposition than it bargained for when it decided to go after the Hazel Avenue Baptist Church. **A**

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D.C. Restaurant Target of SBA Probe

The Small Business Administration's inspector general is investigating allegations that some of the investors in a Washington, D.C. restaurant may be connected to narcotics trafficking, according to SBA Public Relations Director Jim Jennings.

The charges are part of a number of allegations being investigated by the SBA.

The drug connection was recently discovered during an investigation into an attempt to pass a forged \$2 million check against a personal account of

Scientology founder and best-selling author, L. Ron Hubbard.

Investigators obtained a signed declaration from a former employee of the bank that said he had seen Kevin Flynn, an officer of General Business Management Corporation, in the high security section of the Bank of New England in Boston where checks were stolen from Hubbard's account for counterfeiting in 1982.

Flynn disappeared when the attempt failed and surfaced a year later in Washington, D.C. seeking

an SBA loan to open a new restaurant in Washington called "Blossoms."

The investigation of Blossoms financing led the investigators to:

- Paul Flynn, cousin of Kevin Flynn, a convicted Florida drug smuggler.

- Paul Flynn's Florida attorney, Rex Ryland, recently indicted as the ringleader of a major drug smuggling operation throughout the United States.

- An individual investor in Blossoms with close ties to narcotics

smugglers in California and Florida.

- Another investor suspected of similar ties.

- Misrepresentations to the SBA by Kevin Flynn's Boston attorney Thomas Hoffman that Flynn was not a defendant in any suit when Flynn was in fact being sued in two separate cases in California and Boston for false imprisonment and kidnapping.

The investigation was launched by the SBA's inspector general after information regarding the alleged loan misrepresentations was turned over to the agency by private investigators.

SBA PR Director Jennings said the SBA cannot comment on the investigation until it is completed.

KILLING

continued from page nine

Because there was still no response from within the house to the barrage of shotgun and automatic weapon fire, the agents decided it was time to "force" Kahl out.

They climbed on the roof and poured a five-gallon can of heating fuel down the air vent. As more tear gas and smoke canisters were pumped into the house, the fire began.

Flames raged inside the house. There was still no response, so the agents opened fire again. Three and a half hours later, the fire department was called. They arrived ninety minutes later to douse the smoldering ashes in the house.

According to later reports, the

fire became so intense that cooking pots melted, plastic furniture vaporized and paint on the outside of the concrete walls began to liquify.

Kahl's body was charred beyond recognition, although the bullet hole in the back of his head was still visible. Mysteriously, a hand and both feet were missing. The bewildered coroner stated that the missing extremities must have melted in the intense heat of the fire.

Two weeks later Ray Wade, who had been a close friend of Kahl's, and a reporter from *The New York Times* were sifting through the ashes and debris. Wade noticed a charred object under the refrigerator. He stooped down and picked up what appeared to be the remains of a foot that had been cleanly "chopped" above the ankle. The coroner confirmed that the foot

was Kahl's, but insisted that it had not been cut off.

Wade also assisted Leonard Ginter in determining what had been lost in the fire. All of the Ginters' possessions were accounted for except for one thing — the meat cleaver Ginter used for butchering meat on the farm.

Federal authorities have continued to claim that Kahl and Sheriff Matthews killed each other. However, according to reports and interviews obtained by *FREEDOM*, that explanation of the deaths is nearly impossible, due to the following facts:

- 1) The bullet which killed Sheriff Matthews was traveling at a downward angle. It entered his left arm just above the elbow, traveled through the arm and into the chest via the armpit.

- 2) According to Matthews' position by the garage and the bullet angle when he was hit, he could not have been shot from the house. The shot was more likely fired from the hill, by the agents surrounding the house.

- 3) Additionally, the bullet which killed Matthews was believed by the coroner to have come from an M-16 or an AR-16 rifle, a type of weapon the agents were carrying. Kahl's was an AR-14, which fires a completely different bullet.

Currently the Ginters, who own the house in which Kahl was killed, are being held as accessories to murder for the death of Sheriff Matthews, although Leonard and Norma Ginter were both handcuffed and behind the firing lines throughout the horrifying incident.

FREEDOM found other physiological evidence that the foot was willfully dismembered. It has not been described in detail here as the editors felt it was unnecessarily graphic.

Controversy continues to grow concerning the Kahl shooting as the Ginters' case moves closer to trial. Rumors about the killing have spread, although the FBI, the Sheriff's Department and the U.S. marshals have kept their records sealed and completely inaccessible to the court, defense counsel and the public.

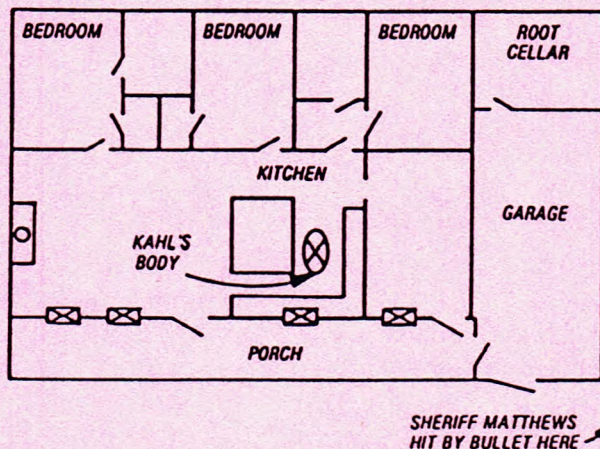
A grand jury investigation was begun but delved only into the Ginters' involvement with Kahl and left questions of government tactics and responsibility completely alone, in spite of evidence presented that these questions should have been pursued.

How much of the violence was sparked or condoned by IRS tactics is still unknown as the government offices involved in the case would not respond to any of *FREEDOM*'s questions.

Ironically, when Scott Waffle at the IRS National Office was asked whether that agency was kept apprised of the Kahl case by the FBI, he replied, "I can't comment on that, because it would intrude into the private affairs of a taxpayer. The service can't ever comment when it involves the tax matters and private affairs of a taxpayer."

Bill Wade, who was a close friend of Kahl's and who owns the land on which the Ginters' house was built, said, "All we want is that the truth behind the killing of Gordon Kahl is exposed, and the actions of the government including the IRS, are fully aired in public."

*Editor's note: The information for this story was gathered in Arkansas by on-site visits and interviews of those who were involved or who have also sought a full airing of the facts. *FREEDOM* would like to thank the Arkansas Democrat and the many others for their time and valuable assistance.*



FREEDOM News in Brief

NEW YORK — Three men were arraigned recently by the Manhattan district attorney, two on charges of running a brothel under the guise of a sex therapy clinic, and the third, psychiatrist Alan Pearl, 40, accused of insurance fraud.

The operation was exposed by an undercover policewoman who applied for a job as a "surrogate" in response to an ad in a magazine.

Approximately 500 men paid \$145 per session. Most were advised to take three sessions. Surrogates were paid \$20 per session, and performed their "therapy" on a psychiatrist's couch.

Claiming treatment for an "anxiety disorder," patients filed claims with Blue Cross/Blue Shield and Group Health Insurance. Psychiatrist Pearl allegedly signed the insurance forms without seeing or interviewing the men, and in return received a 10 per cent kickback.

NEW YORK — Two New York psychiatrists, Om Prakash, 50, and Guy Arthur Surpris, 43, may face criminal prosecution as a result of city, state and federal investigations into the Creedmoor State Facility in Queens Village, New York.

The investigations occurred after the March 1984 death of patient Roberto Venegas. A therapy aide has been charged with the death, which was apparently the result of a blow to the throat with a blackjack while Venegas was restrained in a straightjacket.

An article in *The New York Times* said that the death was indicative of severe problems in the unit. The psychiatrists responsible for patient care at the time were Prakash and Surpris.

The investigation showed that the psychiatrists routinely refused to see the patients. They often required nurses and therapy aides to make decisions regarding the restraining of patients, which according to state law is done by the doctor after examining the patient.

The doctors also allegedly signed blank prescription forms and restraint forms, to be filled in by the nurse or therapy aide in charge.

The director of the unit in which the patient died, Amjed Hussain, 53, previously worked as a psychiatrist at the Bronx Psychiatric Center, where he had been suspended on charges of mistreating a 16-year-old boy who committed suicide under Hussain's care.

ST. PETERSBURG, FLA. — Former Tampa psychiatrist Louis J. Tsavaris was released from prison after serving part of a 15-year sentence for the 1975 strangulation death of a former patient and lover, Sandra Burton.

Tsavaris wants his license to practice psychiatry back and has hired once-disbarred lawyer Frank Ragano to represent him.

The felon avoided prosecution for six years with lengthy appeals to the Florida Supreme Court. His license was revoked by the Florida Board of Medical Examiners after his conviction.

While awaiting trial Tsavaris was the subject of a civil lawsuit brought by a patient whom Tsavaris maliciously questioned during a group therapy session, apparently trying to set his patient up to confess to the murder of Burton.



Boston lawyer Thomas Hoffman a moment before he attacked FREEDOM reporter David Aden for taking this photograph. Hoffman is an intimate associate of Boxford attorney Michael Flynn.

Burton's murder occurred within six weeks of an abortion that Tsavaris, allegedly the father of the child, forced her to get.

According to newspaper accounts, at least four of Tsavaris's patients died from drug overdoses.

Tsavaris is reportedly in Tarpon Springs, Florida on probation.

BOSTON, MASSACHUSETTS

— Lawyer Thomas Hoffman, an associate of Boxford, Massachusetts, lawyer Michael Flynn, accosted FREEDOM's Boston correspondent, Rev. David Aden, on a public sidewalk on Union Wharf, grabbing the correspondent's camera bag and telephone pager and demanding the film from his camera.

Rev. Aden had been taking photographs on the wharf for a FREEDOM article when Hoffman approached him as shown above. Police called to the scene had Hoffman return Rev. Aden's property and suggested that the correspondent file a complaint against Hoffman for assault.

SYDNEY, AUSTRALIA — The Supreme Court recently heard an application to accelerate an investigation into charges of profes-

sional misconduct against two psychiatrists, Harry Bailey and John Herron.

Bailey is awaiting trial for the 1977 death of a patient, Miriam Podio, to whom he was administering since-banned "deep sleep treatments." Podio died at Chelmsford Private Hospital following electroconvulsive shock treatments which were administered during a drug-induced coma.

The misconduct complaint was filed in 1980 by the Citizens Commission on Human Rights, a reform group sponsored by the Church of Scientology.

LOS ANGELES — Former and current employees of the Internal Revenue Service (IRS) are aiding FREEDOM in an ongoing investigation of the IRS itself. The information from past and present IRS agents, coming in from all over the United States, is in response to an advertisement placed by FREEDOM in major newspapers around the country.

The ads, entitled "An Open Letter to Current and Former Employees of the Internal Revenue Service," ask past or

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present IRS employees who "know of abuses of taxpayers, groups or even fellow employees" and who "feel it is time for these wrongs to be righted," to contact FREEDOM.

The first ads were placed recently in more than 20 daily newspapers across the U.S. Papers where the ads have run include the *Washington Post*, *Los Angeles Times*, *Boston Globe*, *Atlanta Constitution*, *New York Post*, and *Salt Lake City Tribune*.

The response to the ads has been so overwhelming that FREEDOM is now planning a second series of advertisements in the near future.

Editor's note: A copy of the ad referred to above appears on the back page of this edition of FREEDOM.

PASADENA, CALIFORNIA ▶ Rev. Everett Sileven, pastor of Faith Baptist Church in Louisville, Nebraska, told attendees at a special "Tribute to Religious Freedom" held recently in Pasadena, California, that there are approximately 7,000 lawsuits against religion in America today — an alarming increase of 5,000 since 1980.

Pastor Sileven gained national fame for his fight to keep his church-run school free of state controls. FREEDOM covered the stand of church-run schools in Nebraska in Issue 59. ▲



Pastor Everett Sileven addressing the Pasadena rally. (Photo by Stephen Brown)

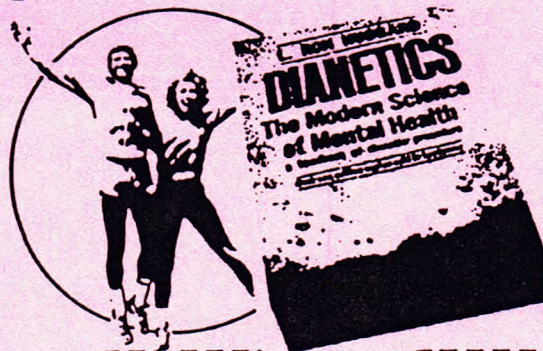
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AN OPEN LETTER TO CURRENT AND FORMER EMPLOYEES OF THE INTERNAL REVENUE SERVICE

For over a decade, *FREEDOM News Journal* has gained national recognition for its exclusive exposure of IRS abuses and illegal activities. Through interviews with agents and employees and with the acquisition of internal IRS manuals that detail the agency's secret policies, *FREEDOM* has found that —

- The IRS would not settle tax disputes if "the acceptance of an offer of compromise would result in unfavorable publicity due to the notoriety of the taxpayer even though the grounds for acceptance of the offer may well be completely valid";

- The IRS compiled an "enemies list" that included prominent individuals and celebrities such as John Wayne;

- The IRS worked with the Department of Justice to obtain "optimum news coverage" and "maximum publicity" of selected targets by getting "at the root of an editor's lack of understanding of the facts" in order to develop a proper "attitude" toward the IRS;

- The IRS infiltrated and attacked churches to force them to accept opposing standards of religious conduct or lose their tax standing;

- The IRS abused and harassed its own employees and forced them either to leave or submit to intolerable working conditions.

FREEDOM, the independent journal published by the Church of Scientology, is concluding another major investigation into the IRS and wants to interview current or former employees, especially (but not limited to) those who have worked with Criminal Investigations, Employee Plans, Exempt Organizations or Entity Control.

If you have been or are currently with the IRS and know of abuses of taxpayers, groups or even fellow employees and you feel it is time for these wrongs to be righted, contact

FREEDOM
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UPCOMING IN FREEDOM

"DISBAND THE IRS"

A growing, nationwide grassroots movement is calling for an end to unconstitutional practices of the IRS. Citizens outraged by the agency's crimes and abuses have been joined by numerous former IRS agents articulating the same message: disband the IRS.

THE CONTINUING STORY OF "MOTORGATE"

FREEDOM's probe of criminal misconduct by lawyer Michael Flynn in the Butler Chevrolet scandal continues.

THE INNER WORKINGS OF THE IRS

A former agent reveals secrets of IRS methods and operations.

"COINTELPRO" IS ALIVE AND WELL

Evidence uncovered by *FREEDOM* indicates that the Federal Bureau of Investigation and the Department of Justice have continued their covert operations to destroy, by questionable and even illegal means, the character, reputation and — in some cases — the existence of individuals and groups they perceive as "threats." The evidence conflicts with a 1971 statement by the FBI that all COINTELPRO activities had ceased.

FREEDOM

APRIL/MAY 1985

THE INDEPENDENT JOURNAL PUBLISHED BY THE CHURCH OF SCIENTOLOGY®

SPECIAL EDITION

Videotapes of Federal Informant Reveal Bizarre Government Plot to Destroy Church

Special FREEDOM Report

Videotapes made of a police-sanctioned "sting" operation, showing a series of clandestine meetings between a federal witness and a member of the Church of Scientology, were recently exposed in a Portland, Oregon, civil court. They outline a bizarre, multi-government-agency plot designed to take over the control, property and assets of the Church, in blatant violation of constitutional rights and freedoms guaranteed by the First Amendment.

The evidence presented in the videotapes, copies of which were recently obtained by FREEDOM, reveals that members of various government agencies—including the FBI, the IRS, the Department of Justice, and Canada's Ontario Provincial Police—and a Boston lawyer named Michael Flynn directed and supervised the "running" of a covert government intelligence operative, Gerry Armstrong, in a carefully orches-



Boston lawyer Michael Flynn.



IRS Criminal Investigation Division special agent Al Lipkin.

trated conspiracy to overthrow current Church leadership and seize the Church's sizable property and assets.

This conspiracy was brought to light when a private investigator, working under the supervision of a Church attorney, obtained written permission from the Los Angeles Police Department to document criminal actions being planned against the Church in an effort to "bring it to its knees."

Advised of the efforts of a government informant to steal confidential Church documents and plant incriminating and fabricated "evidence" in Church files, a Church staff member arranged to meet with the informant under a guise.

The Church member told the informant that he was part of a group within the Church that was dissatisfied with current Church leadership and wished to improve matters internally. He called his fictitious group the "Loyalists." Seeing this as a golden opportunity to infiltrate the Church and

get his orders executed, and after several telephone conversations and reassurances from other fictitious sources, the informant set up a series of secret meetings on a park bench in Los Angeles with the "Loyalist." There he unfolded his bizarre plans and exposed the government plot to infiltrate and "smash" the Church.

With the videotapes exposed in open court, the editors of FREEDOM felt it imperative that the facts and details of this incredible operation be broadly published.

THE CAST

The cast of characters involved in this clandestine plot include government agents in Washington, D.C., Boston and Los Angeles, among others:

- **GERALD ARMSTRONG:** A traitorous ex-Scientology clerk who left the Church of Scientology in 1982, he is now an itinerant, unemployed federal witness and government informant/operative. When he left, he stole thousands of valuable Church archival documents. He became an informant so that he could infiltrate the Church from the outside. To carry out the government's plan, Armstrong was apparently trained and rehearsed by his lawyer, Michael Flynn, and by his several contacts in various government agencies.

Conversations on the videotapes indicate that Armstrong was a government agent even prior to leaving the Church. Ongoing investigations have revealed that Armstrong may in fact have been a government plant from the first time he contacted the Church of Scientology in 1969;

- **BRACKETT BADGER DENNISTON III, ASSISTANT U.S. ATTORNEY IN BOSTON:** He had been assigned to investigate an attempt to pass a \$2 million forged check on an account of Scientology founder L. Ron Hubbard. Denniston stonewalled the investigation into Flynn's involvement in the crime. To this day, he has not followed up on the volumes of persuasive evidence given to him by Church attorneys and their investigators exposing Flynn as one of the perpetrators of the crime.



IRS Criminal Investigation Division special agent Al Ristuccia.

Armstrong has testified to the fact that during the attempted infiltration of the Church, he was passing covertly obtained information concerning Church matters to Denniston. According to the videotapes, Denniston was in contact with both Armstrong and Flynn during his stonewalling of the investigation into Flynn's involvement in the \$2 million check forgery.

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FREEDOM GUEST EDITORIAL

COINTELPRO: Alive and Well in America

by L. Fletcher Prouty

COINTELPRO is an acronym for COUNTER-INTELLIGENCE PROGram.

COINTELPRO was a secret program implemented by J. Edgar Hoover's FBI that continued under this official name for approximately 15 years. When it was ostensibly discontinued at congressional insistence in the 1970s, it had a sordid 15-year record of shattered lives, disrupted or destroyed organizations, and outrageous violations of constitutional rights.

The CIA had a similar program called CHAOS. CHAOS, like COINTELPRO, came under heavy congressional attack, and in 1974, it too was outlawed.

These programs were earmarked by such activities as the following:

- Anonymous death threats made to leaders or members of a targeted group;

- False rumors circulated in order to promote strife between groups or between factions of groups;

- Breaking into homes and offices to steal documents, plant evidence, or install bugging devices;

- Use of agents provocateurs to induce members of targeted groups to commit illegal acts; and

- Widespread dissemination of false and derogatory information about targeted groups and individuals.

"Dirty tricks" were the order of the day, with some of the deeds so dirty that actual deaths resulted.

One target of both COINTELPRO and CHAOS operations was the Rev. Dr. Martin Luther King Jr. The actions leveled at Dr. King included attempts to defame him by "leaking" stories of alleged sexual improprieties to his wife and to news media, attempts to prevent him from getting the Nobel Peace Prize, and even an attempt to induce him to commit suicide.

With the outlawing of COINTELPRO and CHAOS by Congress, I thought that such actions had been terminated.

I have recently, however, seen evidence that these programs are still alive and proliferating. Now, in fact, they are even more bizarre and insidious.

The videotapes of government informant Gerry Armstrong show an informant who has been well indoctrinated in the techniques of psychological warfare in modern dress.

Following the classic *modus operandi* of infiltration, penetration, disruption, and then control, Armstrong has demonstrated how well he has been coached for his role by his government mentors.

The government agencies involved trained their informant well in the ways of undercover organizational takeover. They planned to create a dissident sector from within to penetrate and

Third Reich. The tactics are the same.

The videotapes demonstrate that the government agents know and practice their "black" arts well, and that they are ready to use them against all targets — including churches.

It is obvious to me, from closely observing these videotapes, that these agencies have trained this informant and his accomplices and supported them in these acts.

"The videotapes of government informant Gerry Armstrong show an informant who has been well indoctrinated in the techniques of psychological warfare in modern dress."

take over the Church of Scientology. This tactic is straight out of the Nazi subversion textbook.

Infiltrate and Overthrow

The master of such tactics was Nazi Germany's propaganda minister, Joseph Goebbels. Goebbels plotted to infiltrate and overthrow the governments of Europe with the use of trained agents provocateurs.

Government agents working with Armstrong, as described by Armstrong in his own words on the videotapes, are exploiting the same methods used by the early Nazi organizers to create the

This is an ominous reminder of those dread days of the now-outlawed CHAOS and COINTELPRO programs of the CIA and FBI. We see, with this trained informant, the addition of the IRS's Criminal Investigation Division, Canada's Ontario Provincial Police, even a Department of Justice attorney, and their willing tool, a lawyer from Boston, to the old and forbidden list of hardcore government departments and agencies that were in operation in the 1950s, 1960s and 1970s in a present-day alliance for the re-enactment of the same type of unlawful activity.

The evidence shows that a dangerous and blatant threat against elements of our society can be mounted by these agencies of our own government. This inevitably leads to violations of our basic rights and freedoms. The American people can no longer sit back idly and ignore the danger posed by such unlawful and prohibited acts by their own government bodies. **A**

L. Fletcher Prouty, a retired U.S. Air Force colonel, served with the Office of the Secretary of Defense and was assigned to duties that brought him into daily contact with the CIA and other government agencies and departments during his nine years in the Pentagon.

Mr. Prouty, author of *The Secret Team*, a controversial book about the CIA, is a leading authority on U.S. intelligence activities.



L. Fletcher Prouty



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"His first name is Brackett. Last name is Denniston. D-E-N-N-I-S-T-O-N. And he's (617) 223-2280. He's the assistant U.S. attorney involved in the Tamimi thing. . ."

PLOT

continued from page 1

It is apparent from the videotapes that Denniston planned to exonerate Flynn and accuse the Scientologists of attempting to frame the Boston lawyer for the crime. Obtaining "evidence" of this would apparently be accomplished through covert planting of false documents in Church files with the help of Armstrong and his "Loyalists".

• **RICHARD GREENBERG**, ASSISTANT U.S. ATTORNEY IN WASHINGTON, D.C.: He is the government's lead counsel in a class action lawsuit filed by the Church against a number of government agencies. The lawsuit charges the government with conducting a 35-year campaign of harassment and disinformation against Scientology Churches and individuals. Greenberg was in regular contact with the informant during his attempts to get the Church's civil rights suit

against the government agencies dismissed;

• **THOMAS DOUGHTY**, SPECIAL ASSISTANT U.S. ATTORNEY FOR THE FBI IN WASHINGTON, D.C.: He is the FBI's attorney in an ongoing lawsuit filed by the Church of Scientology against the FBI for violations of the Church's constitutional rights in connection with a massive raid which the agency conducted against the Church in 1977. Doughty, like Greenberg, was in contact with the informant while representing the FBI in this suit;

• **AL LIPKIN**, IRS CRIMINAL INVESTIGATION DIVISION (CID) SPECIAL AGENT: Lipkin was heavily involved in the plot to wrest control of the Church from its current leaders and was in regular, daily contact with his operative, Armstrong. He is known to be conducting a quasi-criminal investigation into supposed "tax violations" by the Church and named individuals. He, too, ran Armstrong in the plot to collect or fabricate information to build his

"case";

• **AL RISTUCCIA**, IRS CRIMINAL INVESTIGATION (CID) SPECIAL AGENT: He was Armstrong's backup IRS contact in the event that Lipkin could not be reached;

• **AL CIAMPINI**, DETECTIVE SERGEANT OF CANADA'S ONTARIO PROVINCIAL POLICE: In 1983, after submitting an intentionally misleading and slanted affidavit, Ciampini engineered a massive police raid on the Church in Toronto. Compelled by his animosity, he has pressed for indictments of Scientology parishioners and staff. Ciampini was working in very close coordination with Armstrong and, according to Armstrong, was pushing to get up to 26 top Scientology management executives indicted in Canada, so that the Church would be crippled, directionless and unable to defend itself from Flynn, Armstrong and the "Loyalists"; and

• **MICHAEL FLYNN**, BOSTON LAWYER: Flynn, an ex-IRS employee and Armstrong's attorney, has been a longtime foe of the Church. Flynn set up a corporation to solicit clients and attorneys in his attempt to bring the Church "to its knees" financially while lining his own pockets. He is known to be in very close coordination with several government agencies in the exchange of information and plans concerning the Church.

Flynn has instigated lawsuits across the country in which more than \$1 billion in damages are being sought from Church corporations and Scientologists. Armstrong revealed that Flynn planned to settle all of his suits, once the current Church leadership was removed, at a rate of five cents on the dollar.

There is evidence that Flynn's clients have signed 50 per cent contingency fee agreements with him. At five cents on the dollar, Flynn stood to line his pockets with \$25 million at the expense of the Church of Scientology.

Flynn, after hearing of the success of his client, Armstrong, in infiltrating the Church by finding an "in" with the "Loyalists," drafted a lawsuit that he gave to Armstrong to pass on. The lawsuit was for use by the "Loyalists" to file against current Church executives "when the time was right." It was designed to wrest ultimate control of the Church corporate structure, assets and bank accounts; these would then be made available to settle the multitudinous lawsuits Flynn had brought against the Church and Scientology's founder.

THE PLOT

The plot against the Church was carefully engineered with multi-agency cooperation.

The characters involved in the plot are clearly shown in the videotapes to have conspired to:

• Direct an intelligence operation which would result in a group within the Church filing a lawsuit drafted by Flynn. The suit was designed to obtain a receivership of all properties and assets of the Church. It would be based on false allegations — with no factual support beyond what would be planted in Church files. The newly installed government-controlled Church leadership would then immediately settle all of Flynn's litigation, handing millions of dollars over to Flynn;

• Steal documents from the Church to serve as models for forgeries;

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AN INFORMANT'S DIRECTORY

Referring to a large black book which he held in his lap, Armstrong rattled off a list of names of "government agents and their phone numbers."

Al Lipkin, IRS Criminal Investigation Division:

(212) 688-4260, at night 688-4151

Richard Greenberg, assistant U.S. attorney:

(202) 633-3368

Thomas Doughty, special assistant U.S. attorney for the FBI:

(202) 324-4532

Al Ristuccia, IRS Criminal Investigation Division:

(212) 688-4261

Al Ciampini, Ontario Provincial Police:

(416) 965-8138

Brackett Denniston, assistant U.S. attorney:

(617) 223-2280

PLOT

continued from page 3

- Plant forged documents in Church files which could be "discovered" by government agents during a raid and which would then serve as incriminating evidence against the Church;

- Steal attorney-client privileged communications, including legal strategies of the Church and plans involving its litigation with Flynn; and

- Conspire to suborn perjury in order to cover up the extensive and sordid criminal conspiracy, and particularly to prevent any disclosure of Flynn's involvement.

The videotapes provide clearcut evidence of the Flynn/government agency conspiracy to overthrow the current Church leadership. A new, "cooperative" Church leadership would then accede to a "global settlement" of the extensive Flynn-inspired lit-

igation against the Church, from which Flynn and his cohorts hoped to profit handsomely.

"Friends" In IRS CID

Convinced by several phone conversations with a Church staff member, code-named "Joey," that he could manipulate the "Loyalists," Armstrong arranged a meeting in Los Angeles' Griffith Park on November 7, 1984.

Intent upon motivating the "Loyalists" to take control of the Church of Scientology, Armstrong emphasized to "Joey," the "Loyalists" representative, that he had the full weight of the government behind him.

Referring to a large black book which he held in his lap, Armstrong rattled off a list of names of government agents and their phone numbers. He wanted "Joey" to call these agents to set up a meeting in which information could be exchanged and instructions could be given to the "Loyalists."

The meeting between the "Loy-

alists" and the government agents was important to Armstrong, as it would seal the conspiracy, with Armstrong as a central character.

The following conversation took place between Armstrong and "Joey" at the November 7 meeting:

[Editor's note: GA = Armstrong; J = "Joey."]

GA: OK. Well, the agencies have asked for some specific things. That's all they've asked for. Now ...

J: Let me take notes. What have they asked for?

GA: Well, they asked for — specifically, now — some of the things you've already asked for, and I've already passed on. The names that they mentioned — Marlowe, Reynolds [Church staff members] ...

J: Now, who wanted this?

GA: CID.

J: Got it.

GA: Now, do you want a number in CID?

J: Yeah.

GA: Your people should call — any problems, just call this guy. ...

J: He knows about the Loyalists — what we're doing, stuff like that?

GA: Yeah. Basically, yeah.

J: What exactly have you told him and what did he say?

GA: I've told him — well, he feels that — he keeps saying, "When are these guys going to talk to me? I'll meet under any circumstances."

J: Wow!

GA: He wants to talk. You know, wait a — let me get — Al Lipkin, (213) 688-4260. At night, 688-4151. ...

J: Great. Great. So, what agencies know about us and what do they want, and ...

GA: Justice Department, FBI. ...

J: You talk to these guys?

GA: Yeah, I do. Yeah.

J: Like, who in Justice? Is there a number I can call



"I passed on to (IRS CID special agent) Lipkin yesterday to go after (Church coordinating attorney) Peterson; he should go after him with f—king tooth and nails."

there?

GA: Uh, Richard Greenberg. I gave you that one, I think. He's the guy you should call. I'll give you that number. He's in D.C. ... OK. Uh, (202) 633-3368. I gave you one for Tom Doughty, FBI in D.C.

J: What's his name again?

GA: Tom. Thomas D. Doughty. D-O-U-G-H-T-Y. (202) 324-4532. I gave you CID. There's another guy in CID ...

J: Yeah, Al Lipkin?

GA: ... Al Ristuccia. R-I-S-T-U-C-C-I-A.

J: Is this Al, too?

GA: Albert, yeah. And — 688-4261. It may be the same as the other one I gave you — I'm not sure. Al Lipkin? No, the other one is -4260. OK.

J: This is CID?

GA: Yeah, I believe that's how he can be reached. I'm taking a f---k of a chance doing this! So are you. But there is a lot of ...

J: What does he need from me? What does he want? Or is it just backup for what I need?

GA: Well, it ties in. He would like to get everyone to talk so that they can move. But — but at the same time, I always say to him, "Listen, you're putting us in an uncomfortable situation. If you're telling me you haven't got enough to move right now, and I'm giving you the testimony, then I'm a marked man if you guys back off the investigation." The reason I do that is not because I'm particularly paranoid but because I'm searching for what's going on in their skull. He assured me the investigation's going forward: "We've got enough; that's just the way the government works."

J: Canada?

GA: Oh, in Canada, you know ... the guy I've talked to a lot is Al Ciampini. (416) 965-6138.

J: Who was he with again?

GA: He's with the Ontario Provincial Police. Michael — Mike [Flynn] also thinks that the Florida attorney general is going to bring some charges. Uh, the — you know the whole FREEDOM thing? [This was in reference to FREEDOM's Issue 61, in which affidavits from Ala Fadili Al Tamimi and his brother, Akil Abdul Amir Al Fadili Al Tamimi, were presented in a special supplement detailing Michael Flynn's involvement in a \$2 million forged check conspiracy. In the ensuing months, the FBI and the Department of Justice successfully stonewalled attempts to have the crime investigated.] Mike [Flynn] got an indication from — did I

give you the name of the guy who's handling that investigation?

J: No.

GA: The Tamimi investigation? Uh, let's see — uh, Brackett Denniston. His first name is Brackett. Last name is Denniston. D-E-N-N-I-S-T-O-N. And he's (617) 223-2280. He's the assistant U.S. attorney involved in the Tamimi thing. ...

FREEDOM was able to contact

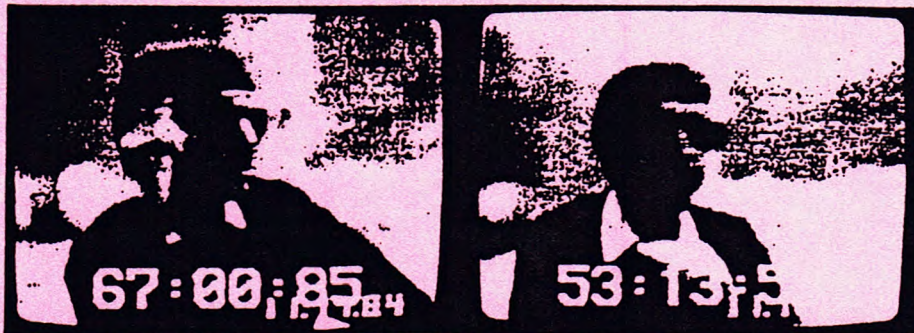
talk to you is CID. CID are the guys. That's the most likely, absolutely the most likely place in which the whole thing will happen. ... Every time I talk to CID about you guys, they say, "God, have them talk to us." You know, they want to talk about the way things are. ...

Armstrong relayed the government strategy to gain control by dividing the Church into separate groups or "cells," which would

least, in the event that the whole thing is blown — someone breaks or whatever — exactly how to handle it.

Armstrong explained to "Joey" that once they actually filed their suit, they would be rewarded with official government protection.

GA: As soon as that happens, they become federal witnesses, and the organization's not going to f---k with them. Or if it does ...



"I don't have this thing about life and death that I used to have. In fact, I would rather welcome a bullet."

Richard Greenberg, Al Lipkin and Al Ristuccia at the numbers provided by Gerry Armstrong. All three individuals refused to answer any questions about Armstrong.

Repeated attempts to contact Thomas Doughty and Brackett Denniston were unsuccessful, as FREEDOM was told they were unavailable. Al Ciampini was not in his office.

FREEDOM also tried to reach Michael Flynn, but Flynn had left for the day. He did not return our call.

The Planned Takeover

It was crucial for the success of the planned takeover that the "Loyalists" gain access to confidential Church files, so that they could plant fabricated, incriminating evidence against the Church leaders.

These documents would then be "discovered" by government agents and used to bring indictments, which would allow the "Loyalists" to move in and take over the Church.

Armstrong stressed the importance of staying in close contact with CID, to make sure the "Loyalists" did what CID needed them to do.

GA: I'll tell you who wants to

make it easier for the "Loyalists" to take over.

GA: I don't know if it makes sense to you to sort of divide up the organization and — uh, go after people on that basis. Just so that — you know, "Sh-t, we have this group covered," and then divide it up structurally, so that you have all the various key points which have to be covered. I think that you guys will be able to take over and then use operating income to continue the battle. And that way you can secure the buildings, take it over, and I think that it's going to take that kind of thing ...

He and IRS CID special agent Lipkin had already discussed the dangers of such a plan, and Armstrong reassured "Joey" that Lipkin "already talks about safe houses and relocating and renaming people." The IRS, in other words, would take care of them.

GA: They want to talk to you people. They want — uh, yeah, there's two things. Number one: you guys should, I think, make plans at

Gathering the "Evidence"

Armstrong had specific instructions on what kind of information should be collected from within the Church. He desperately wanted someone in a position to have access to confidential Church files, computer records and attorney-client privileged information, and he was crestfallen when "Joey" told him he couldn't get into the computer files.

GA: No one that we have any control of can look in computer records ... ?

J: I don't have access to computers. We don't have access to computers.

GA: Oh, you don't. OK. That's good to know. I thought you had someone in there, but that's fine.

Armstrong came to the secret meetings armed with a government "shopping list" which detailed the particular information the "Loyalists" were expected to gather.

GA: These are my — what is it you call it — a shopping list.
J: Right, your questions are on the back.

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THE CONSPIRACY

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GA: My questions are at the back, yeah.

J: (reading the note) How much pay to Ingram [a private investigator], by whom, what corps [corporations] and individuals, when each payment made, how much for all other PIs [private investigators]. . . . The specifics on this stuff.

GA: Right.

J: Now, once again, this is in attorneys' offices and maybe they can find out how much is paid to the attorneys.

Far from being concerned about violating attorney-client privilege, Armstrong encouraged "Joey" to search the Church's attorney files. He was particularly interested in going after Church coordinating attorney John Peterson, who was the Church's lead attorney and whom Armstrong perceived as a threat to himself and his co-conspirators.

GA: I passed on to [IRS CID special agent] Lipkin yesterday to go after Peterson; he should go after him with f—king tooth and nails.

Armstrong asked "Joey" to recruit someone high up in the legal department of the Church who could gain access to attorney-client privileged materials.

GA: Check the goddamn finance records, if you have access. This is the sort of stuff which you need in order to put together the coup de grace.

Armstrong — undoubtedly reflecting the interests of his IRS CID "friends" — was particularly interested in payments made to Church attorneys and private investigators. The plan was somehow to use the information to attack Church officials for using Church funds for the legal defense of the Church — as though there were something wrong with this.

GA: You should find out all payments made that went to attorneys, because I have people who can trace those bank accounts* and see where the

disbursements went from those accounts. You following me? . . . But not only for your suit, but to give to the various people that are involved. You know, so that Brackett Denniston, [assistant U.S. attorney in Boston,

Massachusetts] who is investigating Ingram, knows. If we can get anything on Ingram, anything on Peterson, anything on finance records . . . it's all vital.

If no evidence existed, Armstrong suggested, "Joey" could fabricate it, plant it in Church offices, and let the "feds" know where to look when they went "hunting."

Armstrong's idea was for the defectors to write proposals for the revision of Church policy, including in their proposals statements implying that illegal actions were occurring within the Church about which they were very concerned. Armstrong called these planned proposals "CSWs," using a Church abbreviation for "proposal":

GA: So therefore, here's my

"I am only a relay po
However, I — I do make
purpose to creat
sh_t as pos:



Gerry Armstrong



Al Lipkin



Al Ristuccia

PORTLAND

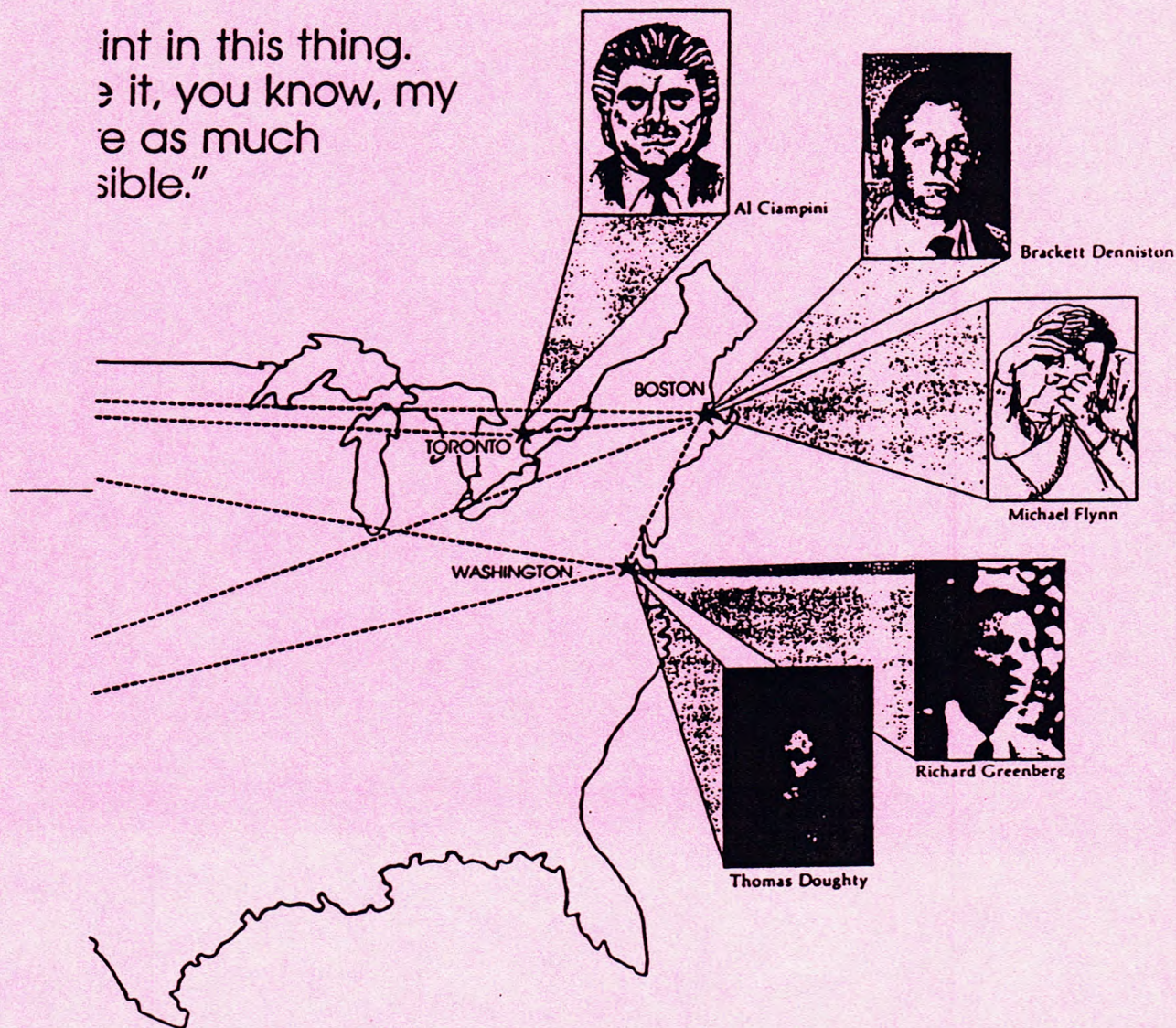
LOS ANGELES

* According to L. Fletcher Prouty, who was a vice president of a major bank in Washington, D.C., following his retirement from the Air Force as a colonel, the

only people with the authority to "trace bank accounts" are employees of the FBI who have been granted specific power to do so

ORIAL NETWORK

int in this thing.
e it, you know, my
e as much
sible."



proposal, and just the fact of having that goddamn proposal of some guy... you've got such incriminating information in the CSW, you follow?

J: So we put a letter together saying that...

GA: I'm saying a CSW, and you keep your copy of the CSW. They [the feds] are going to come around hunting — "Where the f—k is it?

Ah, sh_t, got rid of it all!" Except you've made it off the property and you've got it somewhere. Type it off the property and bring it in. There's no problem bringing stuff in, right? You could bring stuff in — maybe you can't sit at your desk and type it — I don't know... But just maybe that sort of stuff can be done — issues [published Church guidelines and information]

could be created, stuff can go in... And that's the sort of material which we'll use to put into the affidavits.

Armstrong considered it so urgent that this be done that he was even ready to write the affidavits himself.

GA: You guys are going to need to put out issues when

this thing happens... You should be preparing — right now, in my opinion — goddamn affidavits that I can be — that we can put into a computer and have run off and ready to go. I can write — I write legal sh_t!... You see, you're going to need someone who — you know — you can give me a rough draft and —

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PLOT

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you know, we can rework it and send the damn thing back to you for signature!

In a conversation with another "Loyalist" named "Mike," Armstrong specifically asked for allegations of criminal activities.

[Editor's note: M = "Mike."]

GA: There are hundreds of lawsuits. That's standardly what lawsuits are, you know, a lot of times, uh — lawsuits have that form. It is simply a disagreement over who has control of corporate funds. That is — that is simply the issue. They don't allege that there was any criminal misconduct or illegal use of the funds or anything.

M: But this is alleging that there's criminal misconduct.

GA: That's right, and the reason for that is because with that, if you can get any of those things, then — then the court can act immediately to freeze the accounts.

When "Mike" explained that there was no evidence of criminal acts on the part of the Church, Armstrong became very impatient. On two separate occasions, he stressed that the filing of a lawsuit against the Church was not dependent upon evidence of wrongdoing. Armstrong insisted that they didn't have to prove anything — they just had to make the allegations.

GA: How much was paid to Ingram?

M: I don't know that data yet.

GA: Who paid?

M: I presume the attorneys paid him.

GA: Yeah, but it comes from your [the Church's] money.

M: Right, so then it would be how much is paid to the attorneys, right? I mean, that's what we would want to know.

GA: Who gets an accounting of what — you know, your board members. Your f—king board members! The guy's on the board and you can't find out? Those are the people who should be signing it, who should be doing it.

M: OK. I'm not asking about whether they can find out, but whether they need to, in order to be able to do this. Do you see what I'm saying? It's like . . .

GA: They can allege it! They can allege it! They don't even have — they can allege it!

M: So, they don't have to — like, they don't have to have the document sitting in front

of them, and then . . .

GA: I'm f—king saying the organization destroys the documents! . . .

M: The point — the point I'm trying to get across is that that's not criminal. That's the — that's the civil complaint in there and that would have to be proven.

GA: Show me the lines you're talking about.

M: Well, it's over here.

GA: Where are the — we don't have to prove a god-damn thing. We don't have to

going over all of this, because I know as I go through it and study it and study the legalese, I'm going to have a lot of questions. Mike [Flynn] is going to have a lot of questions. OK?

J: Yeah.

GA: . . . And I'm going to copy this stuff, send him [Flynn] off the package, and sort through it and see what the heck it really is all about.

This was obviously a slip on Armstrong's part. During a later



"I'll tell you who wants to talk to you is CID. CID are the guys. That's the most likely, absolutely the most likely place in which the whole thing will happen. . . ."

prove sh..t. We just have to allege it.

An Obvious Slip

Armstrong was exchanging information regularly with his lawyer, Michael Flynn, who wanted Armstrong to send him any and all materials provided by the "Loyalists."

On November 7, 1984, "Joey" gave Armstrong a number of Church issues which had been requested by Flynn.

J: . . . I have a whole bunch of documents here, and samples of different kinds. I can give you these.

GA: Good! This is, ah, like a kid in the candy shop!

J: I hope I got what you wanted here.

GA: Oh, so far, we're looking great!

J: OK, you want to take a look at them? I haven't really studied them closely, but maybe I can help you answer any questions.

GA: You know, I won't waste your time right now with

meeting which took place on November 9, "Joey" asked him if he had had any recent conversations with Flynn, and Armstrong abruptly let him know that he intended to cover up Flynn's involvement in the conspiracy.

J: OK. Any news from Michael [Flynn]?

GA: No . . .

J: Great. I got this. This is good.

GA: By the way, I'll never admit that anything comes from Michael [Flynn], including any complaints which I may have drafted.

J: Why's that?

GA: Because that's what — that's how I've got to approach it.

Armstrong again made a slip during another conversation with "Mike" concerning the planned lawsuit. He could not hide the fact that Flynn was a key supporter and one of the masterminds behind the takeover plot.

The following exchange occurred during a meeting

between Armstrong and "Mike" on November 30, 1984:

GA: . . . There's no one around, aside from Michael Flynn, who has an understanding of this whole f—king thing like I do, and that's a fact.

M: OK. I mean, is — is Flynn willing to help us on this?

GA: Well, what the f—k do you think? We talk every day about it! But that's not for you to report around.

M: No — OK, OK.

GA: Because I have no intention of hurting Mike Flynn.

M: Right.

GA: But I'm telling you, he's behind it 100 percent — absolutely behind it.

Flynn's Plans for the Church

Flynn's involvement in the takeover plot as revealed in the videotapes is not surprising, considering his history with the Church of Scientology.

It started officially in 1979, when Flynn created a corporation called Flynn Associates Management Corporation (FAMCO).

The purpose of FAMCO, as documented evidence has revealed, was to destroy the Church of Scientology through a series of class action and damages lawsuits designed to break the Church financially, with the profits accruing to FAMCO.

A 1981 FAMCO document entitled "Scientology — Review and Planning," detailed a simple four-point plan by which Flynn expected to achieve his purpose. The plan included:

1. Closing Scientology organizations;
2. Adverse media [against the Church];
3. Adverse public reaction [against the Church]; and
4. Federal and state attacks [against the Church].

Although Flynn has denied ever having implemented his plan, evidence provided by Armstrong in the videotapes indicates that Flynn's FAMCO plan was indeed activated.

Armstrong reassured "Joey" at one point that he had spoken to Flynn, and that Flynn felt it would be a very simple matter to do away with the established Church hierarchy and take over the Church.

GA: Well, this is how Mike [Flynn] sees the legal battle is going. What he sees is there's no other way — like, it's going to happen sooner or later, you know, because there's like a last skirmish going on and that's about it. . . . Ah, his feeling is that a couple — a handful of the right people with affidavits can end it — just end the whole damn thing.

Flynn had high hopes for winning his suits against the Church, and Armstrong reflected his sentiments.

GA: ... They [the Church] only have to lose one, and attorneys all over the country are going to jump on the f_ucking bandwagon. And watch — you know, all of a sudden you've got precedents being established which are incredible. ...

During conversations with "Mike" and "Joey," Armstrong's words mirrored Flynn's plan. He also provided an insight into how Flynn and the government intended to end the legal battles in short order, once the Church had been taken over.

Their plan was to convince the "Loyalists" to remain in the Church so that, once their suit was filed, they could move into top leadership positions. As government pawns, they would assist in the Flynn/government takeover of the Church.

J: Yeah, the committee was interested in — you mentioned to me a long time ago — you saw, like the — that you were sort of like the "Meisner" [a government informant involved with the 1977 FBI raid on the Church who provided information against the Church of Scientology of the Toronto raid, right?]
GA: Yeah.

J: We file this suit, so whoever files it will sort of be like the "Meisner" here, again. Is that right?

GA: Well, this is a different thing. Mike [Flynn] was pretty adamant last night. ... The difference is this: Meisner took off, right?

J: Yeah.

GA: I took off. Franks took off. Laurel took off. First Nelson took off. Mayo took off, OK? Every one of those people took off. We are all Meisners. You guys are not because you have it within your power to stay there. You have it within your power to simply say, "We are not moving," and watch what happens if you guys said that. If you guys get pushed around, Mike's [Michael Flynn's] recommendation was do not leave; stay there. Say, "We are the organization." And also, if you want to, from here on out set up a communication line with me, so that if I'm not called every 24 hours, then I know to get the feds and get down on the f_ucking doorstep.

One day "Joey" asked Armstrong, during a pause in their

conversation, why he was so intent upon destroying the Church. His answer revealed that he had been working for the destruction of the Church even before he left it.

J: What's your — your ...

GA: My purpose?

J: Yeah, for the Church.

GA: Well, my purpose initially is global settlement. I want that. I've done this sh_t now for going on three years, and even longer before that when I was inside ...

On another day, Armstrong revealed how he expected to achieve his "global settlement" during a conversation with "Mike":



"There's no one around, aside from Michael Flynn, who has an understanding of this whole f_ucking thing like I do, and that's a fact."

GA: ... You know, you've — you've got federal agencies, you know, just about to bring the hammer down. You guys [the Church] are assaulted from every quarter with lawsuits. And they can all be bought off — they could all be bought off for — you know, for five cents on the dollar.

Perjured Testimony Revealed

Armstrong and a number of other "witnesses" for whom Flynn had drafted affidavits testified repeatedly under oath that the religion's founder, L. Ron Hubbard, was managing the Church of Scientology. These "witnesses" testified that they had "personal knowledge" that Hubbard was a "managing agent" for the Church.

However, the spontaneous comments made by Armstrong to one of the "Loyalists" in November 1984 clearly show that neither Armstrong nor Flynn nor any of the "witnesses" actually knew anything about current Church affairs or who was run-

ning the Church.*

GA: Let's talk to these guys [government agents]. Great! I think that they would want to talk in person, because they're searching for understanding about it [the Church] with current information. Obviously, the information they have — unless they got hold of some defectors, is not very current. You know, 1982 is really the most current information, I believe, of anyone they're talking to that I know of ... Have there been any high level defections — any defections recently that they're concerned about? ... What is the actual line of control? Who is in charge? Because someone is. ...

This admission of ignorance by Armstrong directly contradicts sworn testimony he has given in court. It is evident that neither lying under oath nor fabricating evidence were matters of concern for Armstrong.

High Level Infiltration

Armstrong suggested a method by which the information could be

In this way, he hoped to have an immediately available information pool from which he could draw and, at the same time, plant false and incriminating documents.

Armstrong wanted to know if there were any "old intelligence personnel" within the Church who had secretly defected. Armstrong had in mind to replace the Church's private investigators with his own — planted — intelligence agents.

GA: I don't know everything that can be developed, but possibly — I see the possibility of the removal of the PIs [private investigators]. They remove the PIs and they've got to set up their own internal information apparatus again. ...

He asked if there was anyone who was in a position to obtain the reports of private investigators.

GA: Are they in a position where they can get current strategy? Are they in a position where they can get PI reports? ... Can they find out who — who are the operating PIs currently? Can they do that?

obtained: planting informants at high levels within the Church.

GA: I just think you guys — I don't know if it's been tried before, but there's definitely a way to get to the top — that's been known in high political circles for a number of centuries.

Although Armstrong testified under oath that he never proposed or participated in any covert operations against the Church of Scientology, during a conversation with "Mike" on November 17, 1984 — prior to his testimony — Armstrong presented a full-fledged plan for creating his own intelligence network within the Church.

* The Church has been managed for a number of years by a committee of senior Scientology officials. L. Ron Hubbard retired from any involvement in Church operations some years ago and is currently pursuing his career as a best-selling science fiction author, as well as continuing his Scientology research.



He suggested that his "friends" in CID could help to gather damaging information on the private investigators. The information could then be slipped to Church officials, and would hopefully result in the firing of these investigators.

GA: Now maybe you can't necessarily do all those things. Maybe CID can run a make on them. ... And I'd like to — I mean, they can do it

continued on page 10



"... I can create documents with relative ease, you know. I did it for a living!"

PLOT

continued from page 9

They'll run checks. ... That's the kind of liaison where — where you know, we can actually cause a lot of things to happen if there is that kind of detailed information going back and forth. ...

I mean, I envisioned it at the outset that potentially you guys could — uh — develop an intelligence apparatus which the organization does not have currently, simply by scooping the PIs. If you had a lot, if you had some intelligence on Armstrong — you know — you could get a feather in your cap. And possibly move up in that way to the point where you're let in on what the f—k's going on. Or someone — you know what I mean? If suddenly — uh — you're the only guy that has, you know — let's say someone in the organization had the sense, the sense to retain a mole somewhere. And let's say that someone — we could set it up that someone got close to me. Then you've got your intelligence network. And then back the PIs off because you don't want them f—king it up.

Then suddenly you're getting funding to get them intelligence that you don't give a f—k if they get or not, but they get real excited about it. I mean, the organization — the people at the top — get excited about little — wow! You know — this has happened, or that has happened.

Then they start buzzing about it, right?

M: Yeah.

GA: Well, you should give them something to buzz about. I don't know the form of it because it's only me. I don't know your — your capabilities, or who you've got on the outside, or — you know — the, the communication lines by which it could happen. We could set the whole goddamn thing up so that — so that you've got someone from the organization in the same apartment complex that I live in — that I moved to. You know what I mean? And — and possibly in that way you can — uh — have enough information so that it makes sense that you're contacting the people to talk about it.

M: Right.

GA: And becoming part of the top simply because you're — you're the guy who's got it. And they're going to depend on you. You following me?

M: Yup, I'm following you.

Obviously, Armstrong recognized that the use of private investigators was a threat to the government's covert plan to infiltrate and take over the Church. As has now been proven by the existence of these videotapes, and further authenticated by sworn affidavits recently filed in courts around the country, it was in fact the private investigators who uncovered the Flynn/government takeover plot before it could be carried out.

Planned "Disappearance"
Armstrong went to such

bizarre lengths as to plot a staged "disappearance" which, as he hinted to one of the "Loyalists," could be blamed on the Church. This was not surprising, considering Armstrong's earlier false statements that he was "afraid for his life," at the hands of the Church, while appearing around the world as a media darling and "expert witness" against the Church of Scientology.

GA: I am only a relay point in this thing. However, I — I do make it, you know, my purpose to create as much s—t as possible. You know, hence I have ...

M: Sh—t for the organization?

GA: Yeah. I — whatever I do — you know, because I have no — I'm not hooked into anything. ...

M: Right. ...

GA: In fact, you know, I'm in a more vulnerable position because I can be — you know, I'm so visible. What if I dropped out of sight?

M: Well, we'd lose you.

GA: Not necessarily.

M: You mean, we could set it up so that you just dropped out of sight?

GA: Exactly. You know, it could be real beneficial. Maybe it can draw the organization into something.

M: So, what if you dropped out of sight? I didn't totally follow the — the progression there. What. ...

GA: I mean. ...

M: What — what would the advantage be?

GA: It could possibly be a great deal of advantage. That I — I don't know. ...

M: I'm not — I'm not following that. I'm not — you mean we can maintain a comm [communication] line with you even though you were not as visible to everybody else in the organization?

GA: When someone drops out, it really excites people. You know what I mean? ... If that were to happen, then — then. ...

M: But, don't you think that would just attract more attention to you and make it more difficult for us?

GA: I don't — I don't see why,

necessarily.

M: And you feel like it would be best for you to drop out of sight in order to pull that sort of stuff off?

GA: No, not necessarily. I just see that — I know that that excites people in the organization when they can't find somebody.

M: What do you want to excite them — what? I'm a little lost on that as to why we would want to excite them about you. I mean, if you're our comm line. ...

GA: You don't have anyone else to — you don't have anyone else whose life you're potentially in control of out here, in a position such as myself.

M: No.

GA: Someone who — someone who could excite them, I mean. I have excited them, right?

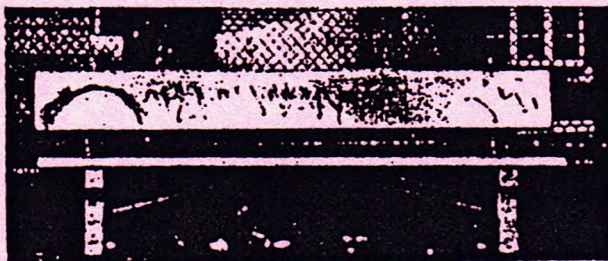
M: Right.

GA: The same thing could happen again. And maybe this time when it happens they can be set up. And maybe you can get what you need. ... I know that if you got some intelligence personnel in there, and you give them the idea — I mean, there's a lot of things that can be — that can develop. You know, with our existing communications line, it's such a unique situation that it can be developed into anything you want. ...

I don't have this thing about life and death that I used to have. In fact, I would rather welcome a bullet. In a sense, it puts me in a rather powerful position — not that I'm looking for it and that I would ever contemplate doing it myself, but, ah, I don't care. And if you guys can use the fact that I don't care and the fact that I write and the fact that I've disappeared and — uh — other facts which you can use.

Script for Lying

Armstrong knew he was taking a risk in speaking so freely to "Joey" about his role in the Flynn/government takeover plot. To ensure "Joey" would not inadvertently blow his cover, Armstrong



Armstrong was videotaped on this bench in Los Angeles' Griffith Park.

Instructed him on how to lie should he ever be questioned about their meetings.

GA: OK. What are our conversations, should it come down to it?

J: What do you mean?

GA: What do we talk about? You're deposed. You walk out there, and there's a PI — hands you a paper saying, "You're deposed, Jack. And not only that, you're out of the organization." And what do you say in deposition? "Well, Armstrong and I talked about this and he had a whole bunch of ideas about how to infiltrate the communication lines and spread turmoil and disaster." You know? What are we doing here? That's my question, before I tell you my ideas on documents.

J: Well, what I got is basically — Loyalists gotta — we gotta move — we've got the suit coming up and I guess we need other lines to get stuff going. . . .

GA: OK. So far as the doc [documents] — let me just say — ah, you and I get together — we get together because I have a goal of global settlement. You have felt that the turmoil and the abuses and so on have gone on too long. Hence, we get together and discuss things. We have not discussed . . . that Scientology is bad, or anything like that. Are we agreed? . . .

Later, he made his position clear to "Mike":

GA: By the way, no one will ever get any names, any communications, any times, any dates or anything out of me. That's just the way it is. I'll go to prison before I ever talk, okay? So you have to know that, because they're wanting to depose me every couple of months. I'm simply saying "No." . . . I'm telling you what I would tell them in deposition, but they don't get anything else. . . .

M: OK, so that — that's fine — we have an agreement on that point.

GA: Right. And you guys also have to have your agreements worked out between yourselves, too. Like — I don't know who knows I'm involved, but I'll deny it!

"Pool of Information"

Armstrong wanted to create an entire network of plants within the Church who would spread fabricated Church policy issues and also quietly recruit additional "Loyalists."

GA: An organization's comm

[communication] lines are of various kinds, and I think you can use that fact — you know, realize what their comm lines are and plug into them.

He couldn't resist putting in a good word for his own skills in falsifying documents.

GA: You see, because I think that during a part of this, we can simply create these, you know — I can create documents with relative ease. You know, I did it for a living!

J: Great, so what kind of stuff are we going to want to create, and who's going to get it?

GA: That's what we need to

talk about!

Armstrong gave "Joey" some helpful hints on how to assess the loyalties of Church members without anyone knowing what they were doing or who was doing it.

GA: I've given you the one thing which I think is a fairly smart idea, which is to use an issue as an assessment. It would happen everywhere. They could never tell, you know, if it was done right. It would be in all the baskets [in-trays or in-baskets] and they could never tell. . . . I tell you what — within the next 24 hours I'll give you an idea. I'll

write something, and we can just toss around how it can be used.

Armstrong was pushing heavily to get someone to finance an outside printing operation. He painted the picture of what it would be like if "Joey" could just get someone to put up \$20,000.

GA: Well, we could set up a press and we could produce issues, and then we could set up a network, and we could have communication lines running outside the organization. You could create a pool of information, just as an immediate thing. . . .

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"Armstrong came to the secret meetings armed with a government 'shopping list' which detailed the particular information the 'Loyalists' were expected to gather. . . . If no evidence existed, Armstrong suggested that 'Joey' could fabricate it, plant it in Church offices, and let the 'feds' know where to look when they went 'hunting.'"

1. Who is Debbie Jones?
2. — Where is she?
3. Any plan to harass individual govt agents: IRS/FBI.
4. Any destruction of records in past 2 years?
5. Any acceleration of destruction in past few weeks?
6. Organization: Paying bills in New England (utilities etc.) in 1980 - 1981 forward. What are they for? (i.e. project purpose?)
7. Anything at all on "smash squirrels" project — new old material.

PLOT TO DESTROY CHURCH REVEALED

continued from page 11

The purpose of this "pool of information," as Armstrong explained it, was to speed the process of destruction of the established Church leadership by providing the government with fabricated documents which could then be used to indict Church officials, thereby allowing the government to destabilize the Church from within and to gain control of the Church and its assets.

At one point, Armstrong finally got exasperated at "Joey's" lack of enthusiasm for the idea of printing fake issues.

GA: . . . It seems to me that you don't have a way of printing anything to get an issue on the lines [that can be] used for anything, right? I'm saying I can do it! I can type those goddamn things and duplicate them and make them look exactly the same! You can't — you wouldn't be able to tell the difference. You know, maybe under a microscope you can tell the type of faces, you know — this one's got a little crack on the "T" and this one doesn't . . . but that happens to be — that only happens to be one little piece of it. You put out another issue the next day for a totally different purpose!

COINTELPRO

As bizarre as the Flynn/government conspiracy against the Church of Scientology may seem, such intelligence plots have, unfortunately, been routine within U.S. government agencies for years.

In the mid-1970s, both the FBI and the IRS were wracked with scandal when the now-infamous Counterintelligence Program was exposed.

The program, better known by its acronym, COINTELPRO, was exposed following a lengthy congressional investigation.

The destruction of specifically targeted organizations was laid out in several simple steps. An FBI memo dated April 4, 1968, listed a number of actions which could be used to disrupt and, ultimately, to destroy an unwanted group via COINTELPRO:

- Leaks to friendly news media;
 - Obtaining the mailing lists and bulk mailing permit numbers of the organization and counterfeiting literature damaging to the organization; and
 - Fictitious letters to news media exposing the group's plans.
- The memo noted that "Coun-



"I've done this sh_t now for going on three years, and even longer before that when I was inside."

terintelligence should also be directed against the individuals personally in an attempt to disrupt their personal and official activities and plans." Several suggestions as to how this could be done were laid out:

- Intimate knowledge of the individual's daily activities is vital to implement an effective counterintelligence campaign;
- Physical surveillance of the subject's motel room for immoral conduct. When such is detected, anonymous phone calls could be made to the local police department and newspapers;

- Anonymous calls to the subject's wife alleging infidelity with his traveling companions and/or female co-workers;

- Selected personal appearances could be disrupted by anonymous bomb threats;

- When sufficient data is collected regarding subject's income, conferences should be had with the IRS; and

- The regulatory powers of local and state agencies should be utilized to police the minor transgressions of the subjects, such as building codes, permits, traffic violations, etc.

COINTELPRO had been one of the government's best-kept secrets until its widespread exposure in the mid-1970s. The agencies were subjected to months of highly embarrassing and ruthlessly meticulous congressional investigations in both the House and the Senate, probing every aspect of their unconstitutional and illegal COINTELPRO actions against American citizens.

As a result, the FBI announced with broad publicity that COINTELPRO was cancelled. This was an accurate statement, but it was not necessarily true.

The program called COINTELPRO was officially cancelled; the door was left open, however, for the activities which had been conducted under this heading to continue. In the memo cancelling the program, then FBI Director J. Edgar Hoover stated:

"In exceptional instances where it is considered counterintelligence action is warranted, recommendations should be submitted to the Bureau under the individual case caption to which it pertains. These recommendations will be considered on an individual basis. . . ."

Someone in a position to approve a counterintelligence proposal for the targeting of a thriving, influential church apparently felt that the destruction of the Church of Scientology — and the money and assets that could be seized if it were to be wiped out — fit into the category of "exceptional instances."

The videotapes of their bumbling agent, however, may well lead to further embarrassment for the government, as evidence continues to emerge that COINTELPRO is still alive and well in the United States. ▲

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IRS Strategic Plan Exposed

COMPUTERIZED DOSSIERS THREATEN AMERICANS' PRIVACY

by Thomas G. Whittle
and Andy Lenarcic

An IRS plan to compile secret dossiers on all American citizens, which would contain the most detailed and intimate information about their personal, private lives, has been received by FREEDOM News Journal in

response to our widely advertised request for information about IRS illegal and unconstitutional activities from current and former employees of the tax agency.

The IRS's 204-page, tightly-guarded strategic plan, written in 1984, contains startling revelations about the IRS's intentions to:

- Prepare massive dossiers — called "taxpayer profiles" — with detailed, personal, non-tax information on all American citizens;
- Include in these dossiers a wide range of information not gathered from taxpayer returns, including "behavioral data from attitude surveys";

- Establish a "task force" to work with other federal agencies — including the Federal Deposit Insurance Corporation (FDIC), the Federal



IRS Commissioner Roscoe Egger

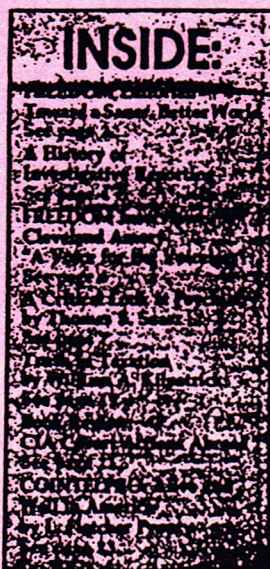
Reserve Board, the Federal Home Loan Bank, the National Credit Union Administration, and the

Office of the Comptroller of the Currency — in order to gain access to these agencies' investigative files and, presumably, to gather all-encompassing information about credit card usage, banking deposits and withdrawals, loan applications and payments, and other financial transactions;

- "Formalize federal/state liaison in each [IRS] district" in order to gather additional, detailed information about citizens and their private lives, including business licenses, professional fees, property transactions, and, apparently, memberships in groups, arrest records, traffic violations, etc.;

- Find ways to increase the IRS's "presence" in virtually all aspects of a citizen's life; and

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Videotapes of Federal Informant Reveal Bizarre Government Plot to Destroy Church

by Stacy Young

Videotapes made of a police-sanctioned "sting" operation, showing a series of clandestine meetings between a federal witness and a member of the Church of Scientology, were recently exposed in a Port-

land, Oregon, civil court. They outline a bizarre, multi-government-agency plot designed to take over the control, property and assets of the Church, in blatant violation of constitutional rights and freedoms guaranteed by the First Amendment.

The evidence presented in the videotapes, copies of which were recently obtained by FREEDOM, reveals that members of various government agencies — including the FBI, the IRS, the Department of Justice, and Canada's Ontario Provincial Police — and a Boston lawyer named Michael Flynn directed and supervised the "running" of a covert government intelligence operative, Gerry Armstrong, in a carefully orchestrated conspiracy to over-

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IRS Criminal Investigation Division special agent Al Lipkin.

AGENCIES IN TURMOIL AS CONSPIRACY EXPOSED

FREEDOM's exposé of the Armstrong videotapes has created an uproar in a number of government agencies and departments.

For the latest news, see page 15.

Toward a Saner, Better World

The Church of Scientology has, for many years, been one of the world's most effective organizations in the area of social reform.

Researchers in the Church's social reform branch, in the course of investigating the treatment of mental patients, prison conditions, government agency abuses, and other areas of society, uncovered such incredible stories of violations of the rights of citizens that it was clearly imperative that these facts be made known to the public.

Discovering a reluctance on the part of established news media to risk the wrath of powerful government agencies and the well-entrenched psychiatric community, the Church conceived of FREEDOM as a voice of truth for the people.

Thus FREEDOM News Journal was established by the Church, 17 years ago.

Since its inception, FREEDOM has been unparalleled in its hard-hitting investigative reporting. As its readership has grown, so has the public's awareness that reform of the criminal elements of society is needed and that such reform can actually be accomplished.



FREEDOM's revelations of the Nazi history of Interpol's leaders — including Interpol's president from 1968 to 1972, Paul Dickson, shown here in his SS truck suit — led to congressional investigations.

Such an awareness on the part of the citizens of this country is crucial to the preservation of our free society.

Only an educated citizenry can demand reform when and where it is needed, appealing to representatives of government to support legislation which will preserve and defend the rights and freedoms guaranteed to all Americans by the Constitution and

the Bill of Rights.

When government agencies such as the IRS, the FBI, the CIA, and others have abused their powers and used their positions to violate the basic rights of citizens, FREEDOM has investigated and exposed these activities and the individuals involved.

In the 1970s, for example, FREEDOM revealed more than 200 pages of previously secret Internal Revenue Service manuals which instructed IRS employees on such things as how to manipulate the news media, evade oversight by Congress and the Government Accounting Office, circumvent the Freedom of Information Act, avoid tax cases which might embarrass the IRS, and selectively prosecute and intimidate taxpayers.

This exposure by FREEDOM of what came to be known as *The IRS Papers* eventually led to U.S. Senate hearings sponsored by the late Senator Joseph Montoya.

On the heels of *The IRS Papers*, the IRS was rocked by further disclosures by FREEDOM that IRS agents engaged in illegal electronic surveillance of taxpayers, conducted harassing audits of taxpayers on a massive scale, and would even drill open taxpayers' safe-deposit boxes without permission in order to get at "information" sought by the IRS.

FREEDOM's recent advertisements in a number of newspapers in major cities across the country, asking current and former IRS employees to come forward with information on illegal actions on the part of the tax agency, have brought a torrent of responses — not only from IRS employees and agents, but also from American citizens who feel strongly that the IRS must be reformed.

FREEDOM has, in its recent issues, reported on the current state of the agency as revealed by those most intimately familiar with its inner workings — current and former IRS employees themselves.

The firsthand reports of IRS employees and agents tell a grisly tale of IRS management's disregard for the rights of citizens and even of their own employees, of orders by IRS managers to their employees to break the law, and of the growing dissatisfaction and unrest within the agency that results from IRS management's attitude that the IRS is "above the law."

FREEDOM's investigation into the IRS has created such a groundswell movement for reform of the agency that a group has been formed — the National Coalition of IRS Whistle-

blowers, composed of current and former employees of the IRS, as well as American citizens — whose purpose is to educate both Congress and the American people on abuses of the Internal Revenue Service so that the needed reforms can be accomplished.



A member of the U.S. Army biological warfare test team operates a suitcase sampler in the Washington, D.C. Greyhound bus terminal. (Photocopy obtained by FREEDOM under the Freedom of Information Act.)

FREEDOM also documented and exposed the criminal past of the International Criminal Police Organization, Interpol, whose leadership by Nazi war criminals had been successfully hidden by the organization until FREEDOM researchers unearthed irrefutable evidence — including SS numbers — that several Interpol presidents had been highly-placed Nazis during the war, and that, in fact, as late as the 1970s, the men chosen to head Interpol were documented Nazis.

FREEDOM exposed the dangers posed by such an organization. With access to government files on millions of Americans and with the ability to compile and transmit such information to any one of its more than 130 member countries — including fascist and communist countries — Interpol undermines freedom in America.

FREEDOM has also reported on CIA and U.S. Army experimentation on unwitting human subjects in a number of exposés in the past few years. These exposés have included the fact that the constitutional rights of the victims of these experiments were ignored, and the fact that illegal activities by individuals in these agencies were never prosecuted by the Department of Justice.

FREEDOM's coverage of these experiments, many of which were

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SANER, BETTER WORLD

continued from page 2

conducted as part of the CIA's "MKULTRA" program, has been extensive.

One FREEDOM exposé, for example, detailed a four-month analysis of CIA records by FREEDOM researchers which revealed that the CIA sponsored biological warfare experiments in Florida in 1953. The Florida tests were linked to an outbreak of whooping cough in that

years.

FREEDOM featured an in-depth report on the tragedy of Dr. Frank Olson, who was slipped LSD as part of an experiment by CIA psychiatrists. While under CIA "guard," the hallucinating Olson jumped through a closed window to his death on the New York City pavement 10 floors below.

Another horror story detailed by



Seven-term U.S. Congressman George Hansen, special adviser to the National Coalition of IRS Whistleblowers, has been featured in FREEDOM, urging congressional reform of the IRS.

state which claimed the lives of 12 people, half of them children under one year of age. By the end of 1953, Florida recorded 1080 cases of whooping cough, a 300 per cent increase over the number of cases reported in 1954, according to state public health records.

FREEDOM recently revealed that the Army secretly sprayed potentially harmful bacteria in open air tests in Washington, D.C.'s National Airport and in bus terminals in Washington, D.C., Chicago and San Francisco in 1964 and 1965 as part of a biological warfare experiment, according to declassified Army documents obtained by FREEDOM under the Freedom of Information Act. The germ used to spray hundreds of American citizens — *Bacillus subtilis* — has been found to cause symptoms of respiratory infections, blood poisoning, and food poisoning.

Psychiatric Mind Control

Psychiatric drug experimentation on unwilling and sometimes unwitting American citizens by U.S. government agencies as part of bizarre and terrifying "mind control" experiments has been another subject of FREEDOM's exposés over the

FREEDOM was the brutal torture of James Thornwell, a U.S. serviceman who was turned into a social and emotional cripple through the forced administration of LSD and violent physical abuse by U.S. Army psychi-

atric experimenters.

A 1960 CIA memo exposed by FREEDOM indicated that the intelligence agency was seeking methods that would "induce deep trance in an unwitting and unwilling subject" within seconds and would "produce indefinitely durable amnesia concerning the trance" as well as "indefinitely durable control of [the

person's] future behavior."

In documenting and exposing such mind control experiments by the United States government, FREEDOM merely confirmed what Scientology founder L. Ron Hubbard had earlier revealed when his book, *Science of Survival*, was published in 1951. In the book, Hubbard documented the results of research he had done into the CIA's mind control programs and their horrifying method of subjugating the human mind — "pain-drug-hypnosis," or PDH.

"There is another form of hypnotism," he wrote, "which... has been a carefully guarded secret of certain military and intelligence organizations. It is a vicious war weapon and may be of considerably more use in conquering a society than the atom bomb. This is no exaggeration. The extensiveness of the use of this form of hypnotism in espionage work is so wide today that it is long past the time when people should have become alarmed about it."

With these words, Hubbard alerted the world to the existence of mind control and to the source of these terrifying top secret government programs, which FREEDOM later detailed.

"Before Dianetics," he continued, "the widespread use of this practice was unsuspected, simply because there was no means by which one could even detect the existence of pain-drug-hypnosis. An individual might be given pain-drug-hypnosis on Tuesday morning and wake up Wednesday morning without knowledge of the fact that he had been drugged when he stepped out of his car, given an injection, painfully beaten but not so as to leave any marks, and put quietly into his own bed."

"This individual does not know that anything has happened to him,

Although no records have ever been made available by the CIA to indicate the agency's reaction to Hubbard's revelations, documents obtained under the Freedom of Information Act in 1975 showed that the CIA completely reorganized its mind control programs shortly after the publication of *Science of Survival*.

As Hubbard described it years later, "All hell broke loose."

Government retaliation, however, did not stop Hubbard's research into the mind. The freedom of man, threatened with extinction by such flagrant disregard for individual rights and dignity, was at stake, and no amount of threats or bullying would dissuade Hubbard from his work. With dogged perseverance, he pursued his goal to bring freedom to mankind.

FREEDOM's determination to expose the criminal and destructive individuals in government who threaten the basic rights and freedoms of American citizens is just as dogged.

FREEDOM exposes the truth.

We pull no punches and we add no frills.

FREEDOM has led the way for other news media to take courage in the face of the horrendous power of government agencies by continuing to report on abuses when they are uncovered, regardless of the consequences and regardless of any threats from the agencies whose crimes are exposed in the pages of FREEDOM.

Illegal actions by government agencies, such as the conspiracy to destroy the Church of Scientology revealed in this issue's front page story, are abhorrent to anyone who values the rights guaranteed by the Constitution.

Reform of the criminal and destructive elements within U.S.

"Reform of the criminal and destructive elements within U.S. government agencies and within our society is crucial if we are to bring about true freedom and a better, saner world for all men."

nor will he suspect it even when he is confronted with the fact that his conduct is extremely changed along certain lines. This individual, if the criminal operator desired it, would actually obey the commands to the point of striking up a friendship with some person the operator indicated, thereafter conducting his business along lines suggested by the Triend."

government agencies and within our society is crucial if we are to bring about true freedom and a better, saner world for all men.

FREEDOM is doing its part to make this possible. A

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A History of Investigative Reporting

First of a Series

by William C. McGaw

Investigative reporting — digging as deep as you have to in order to get a news story fully unearthed — by its nature requires lots of hard work, plus at least a little bit of good luck. It has a failure rate of about 80 per cent.

That's what makes it expensive. Eight out of 10 projects produce nothing.

But that's also what makes it so valuable.

Serious, hard-hitting investigative reporting showed its value in 1970, when Seymour Hersh uncovered the mass murder of South Vietnamese civilians by American soldiers in the now-infamous My Lai massacre.

Hersh's story depended upon his finding Lieutenant William L. Calley Jr., while the Army was trying to hide him. Finally, with luck, several months of searching paid off when Hersh located the young officer and obtained the details of that massacre.

Hersh's tragic exposé was followed by Bob Woodward's and Carl Bernstein's Watergate revelations.

Woodward and Bernstein made diligence pay off with the help of a source they called Deep Throat, bringing down the presidency of Richard Nixon with a long-running series of articles in *The Washington Post*.

Both Woodward and Bernstein admit that without luck, months of effort would have been wasted.

These successful efforts glamorized investigative journalism, by whatever name, even though almost identical practices go back at least to September 25, 1690, when this country's first newspaper was published.

It was called *Public Occurrences Both Foreign and Domestic*, and it was published by Benjamin Harris, a Boston coffeehouse proprietor who wanted to share his customers' gossip with the other 10,000 residents of that city.

One of Ben's stories described the brutal slaying of 40 prisoners by our allies, the Mohawk Indians, in the war going on at the time with French Canada — a massacre that antedated My Lai by 280 years.

Ben's other lead story explained in some detail how the King of France was having sexual intercourse with his son's wife, a yarn which probably hasn't been topped in Boston since. This was sufficient, however, to get the publication banned after a single issue.

It seems that luck has a lot to do with the really tremendous stories, for they are often tossed right in your lap and all you have to do is wrap

them up with sufficient facts to make other humans believe them.

One such story that came to my attention was so bizarre that it produced the framework for a Broadway hit that was later made into a movie starring Cary Grant, among others, under the title of "Arsenic and Old Lace." The original story was more awesome than either the play or the movie, and almost as funny.

This masterpiece was first sent over the Associated Press wire while I was working the federal beat for *The Tampa (Florida) Times* in 1938. I was just entering the newsroom when I heard B.Z. Engle, the wire editor, let out a yelp that could have been heard around the block.

The AP teletype machines were kept in a small room next to Engle's desk and when a major news bulletin was coming up, a bell attached to the machine would ring to alert the wire



William C. McGaw

editors so they could quickly examine the copy and see if they wanted to remake the late afternoon editions.

Engle's yell brought Managing Editor Ed Ray from his desk to the wire editor's side and while they were reading the bulletin, the AP bell rang loudly again. They pulled the next paragraph from the printer and both yelled. After some discussion, Ed Ray said he didn't believe it and he instructed his wire editor to kill the story.

The first bulletin told of a Philadelphia housewife who had poisoned her husband to collect his insurance and had gotten two or three of her neighboring wives to do the same. Arsenic was used in all instances. The second bulletin said the total number of victims might even go as high as a hundred.

This was the most unusual story I had ever seen come over the wire, but it didn't end there. Within a few

months, I left the Tampa paper and went to work on *The Philadelphia Record* and there became acquainted with Frank Toughill, the man who had broken the arsenic murder cases story and won all kinds of awards for himself and the *Record*. He explained exactly how he had accomplished it and I am sure it proves something about the luck, plus diligence, that goes into investigative reporting.

Toughill was an old-timer who roamed the city, especially the precinct police stations, and phoned in the news to rewrite men in the newsroom. He didn't write the news — he just uncovered it. He phoned in one bit of minor corruption he had come across at a certain precinct station and, as a result, things got uncomfortable for the police at the station.

In retaliation, one of the officers of that precinct arrested him on a charge of public intoxication and had him thrown in jail overnight. The

how she had gotten the suitcases full of money she had in her closet.

She had been approached by an insurance salesman who not only sold her a \$25,000 policy on her husband's life, but provided her with sufficient arsenic to collect the money.

The woman and the insurance salesman split the take. The woman then enlisted two or three of the wives in her neighborhood to pick up some easy money in the same way, and they did, with Frank's new friend getting 25 per cent of this additional money.

At the first opportunity, after he got details of the story, Frank acted as though he was going to the men's room. Instead, he went to a telephone, called the *Record* newsroom and reported the story about the woman and the murder of her husband in collusion with an insurance agent. A short while later, he slipped away again and called in to report that a few of the woman's neighbors' husbands had been done in at a profit.

This information caused a sensation across the nation, but Frank and his girlfriend were still running around spending the money. Frank telephoned at every chance to update the newsroom and he finally told his rewrite man that the activities of his friend and the insurance agent were putting an end to husbands all over the city, not just in the neighborhood.

Frank held on doggedly to dig into the last grave.

After he had done so, he returned to the office, wound up the story, and then provided the testimony to convict a lot of people who had held their own private holocaust at the expense of their spouses.

"There sure were a lot of wives who liked 25 grand a lot more than they liked their husbands," Frank told me later.

"I'll bet," I said to Frank, "that your rich girlfriend ended up wishing she had done away with you."

"Oh no," said Frank, "she understood that I was just doing my job. She told me that life was just like that: you win some and you lose some."

And so it is with investigative reporting. A

As mentioned in this article, William C. McGaw has written for *The Tampa Times* and *The Philadelphia Record*. In addition, his more than four decades as a journalist have included work with *The New York Post*, *The New Orleans Item*, and *Collier's*, and many years in Texas as a newspaper editor and publisher.

His more recent career has included work as editor of *The Investigator*, a magazine published by syndicated columnist Jack Anderson, and the writing of several books.

"... almost identical practices go back at least to September 25, 1690, when this country's first newspaper was published."

next day he was fined \$5 and released, but had to wait to retrieve his valuables.

While waiting, he was nudged in the ribs by a woman sitting next to him.

"Whatcha doin' later?" she asked. Frank replied he didn't know.

"Wanna go out on the town with me?"

"I haven't got any money," Frank replied.

"Don't worry about that," she said. "I have plenty. When I get outta here I'm going home and get me a thousand dollars or two and we'll go places."

No reporter of that day could turn down such an offer.

After they toured all the places of note in Philadelphia, they went to New York and polished up the Big Apple for a couple of days and nights. Meanwhile, Frank and his new friend had become quite well acquainted — so much so she confided in him as to

DOSSIERS

continued from page 1

• Promote legislation to increase IRS powers and capabilities, at the expense of individual rights and freedoms.

Orwellian Policy Statement

In a written analysis of the strategic plan, former senior IRS agent Paul J. DesFosses, president of the National Coalition of IRS Whistleblowers, commented that "The stated IRS objective of establishing a computer file for each taxpayer based upon non-return, personal information [information not from tax returns] represents a uniquely Orwellian policy statement appropriate to the 1984 date . . ."

According to Mr. DesFosses, a 20-year IRS veteran, "Taken together, these documents clearly indicate the massive scope of the IRS effort to establish and maintain a 'presence' in every aspect of the taxpayer's personal affairs. All this non-return, personal, taxpayer information, secured and fed into the IRS computers, will be retrievable in the 'taxpayer profile' being established for every taxpayer."

Mr. DesFosses pointed out the enormous investment — in terms of time, money, personnel, and computer resources — involved in the compilation of these voluminous dossiers. "Is it any wonder that the current IRS computer facilities are inadequate and that tax return processing is falling behind schedule, in view of the massive non-return information processing being implemented?"

55 "Initiatives"

In the foreword to the strategic plan, IRS Commissioner Roscoe Egger boasts that "This Plan provides a strong foundation for directing tax administration efforts well into the 1990s and lays the groundwork for the Service's entry into the 21st century."

The plan lays out broad IRS strategies, called "initiatives," to be implemented in 55 key areas.

Each of the 55 initiatives is assigned to a senior IRS official.

In Philadelphia, for example — where the IRS has recently been wracked by reports that thousands upon thousands of tax returns have been shredded by IRS employees, that taxpayer returns have been stuffed in toilets and hidden in ceilings, and that taxpayer checks have been shredded and thrown away — District Director Charles E. Roddy has been placed in charge of the initiative regarding "technological advances in computer technology."

In Detroit — where IRS agents recently ran into congressional criticism

and public outrage after conducting a Gestapo-like raid on a day care center and holding 30 children and infants hostage — District Director Charles A. Parks was assigned the initiative regarding efforts to "enhance employee pride, involvement and productivity by better recognizing the Service's investment in its workforce and employees' role in IRS accomplishments."

Thomas P. Coleman

Thomas P. Coleman, regional commissioner of the IRS's Western Region, was assigned targets which included, "Prepare managers to deal with diversity in the workforce." Coleman, while district director in Brooklyn, New York, encountered an example of this "diversity."

As described in the January 1985 issue of FREEDOM, Coleman had an employee who persisted in efforts to correct the illegal duplicate assessment of a taxpayer.

After endeavoring to get the criminal overassessment corrected at several lower echelons in the Brooklyn office, the employee, Beverly Leavitt,



Charles E. Roddy

brought the overassessment to Coleman's attention. Coleman — apparently in violation of the law — refused to correct the overassessment. Mrs. Leavitt was subsequently harassed and hounded on the job to the point that she felt she had to quit the revenue service.

Coleman allegedly was involved in the harassment and pressured dismissal of another IRS whistleblower who resigned from the revenue service in November 1984. That IRS employee, a senior IRS agent, filed suit against Coleman and other IRS managers and executives, charging that they were guilty of "harassment, retaliation, reprisal, [and] unlawful discrimination on the basis of religious belief." The whistleblower's suit for \$1.7 million in damages was settled by the IRS on the very day that public hearings were to begin.

Coleman is currently a defendant in a \$1.5 billion class action lawsuit which names various IRS managers and executives for their alleged role in the illegal and unconstitutional harassment and abusive treatment of

hundreds of supporters of Brigham Young University.

Thomas A. Cardoza

Thomas A. Cardoza, regional commissioner of the IRS's Southeast Region, has been assigned the initiative to "Develop and implement a plan to improve overall conditions under which managers and executives operate."

Cardoza, while regional commissioner of the IRS's Western Region, was named in the \$1.7 million lawsuit by the IRS whistleblower who subsequently won the settlement as described above.

Cardoza, like Thomas P. Coleman, is now also a defendant in the \$1.5 billion class action lawsuit naming various IRS managers and executives for their alleged role in the illegal harassment and abusive treatment of hundreds of supporters of Brigham Young University.

"Increasingly Serious Problem"

"Retention of our best employees is becoming an increasingly serious problem in our organization," the plan states on page 83.

The reasons given for this, however, including "economic conditions, the geographical locations of offices,

orders." If an employee refuses, Mr. DesFosses said, or "If an employee has ethical or moral considerations which prevent him from carrying out the illegal orders, he is forced out of the IRS."

He continued, "So the employees who remain are the employees who will do whatever their bosses order, regardless of the illegality or immorality of the actions ordered."

Former IRS collections officer Larry Hansen confirmed to FREEDOM that IRS managers pressure their employees to do things which are illegal. In one incident, for example, he was directly ordered by an IRS manager to place a levy on a man's wages, even though the man had fully discharged his obligation to the IRS and placing the levy was an illegal act.

Mr. Hansen told FREEDOM that "There is still a quota system, even though the IRS isn't supposed to have one."

According to Mr. Hansen and other former IRS employees interviewed by FREEDOM, quotas are placed on IRS employees to do a certain number of seizures on taxpayer property, and to do a certain number of levies on taxpayer accounts.

"... taxpayer returns have been stuffed in toilets and hidden in ceilings. . ."

as well as changes in skills required to cope with an increasingly complex workload and the introduction of new technology," are a whitewash, according to current and former IRS employees interviewed by FREEDOM.

One IRS research analyst, for example, told FREEDOM that the cause of rapid turnover and high attrition rates among skilled IRS employees is actually low morale brought about by bad IRS management, lack of organization, and general incompetence within the tax agency.

Furthermore, the intense personal pressure brought to bear on IRS employees by IRS management often makes it impossible for good employees to continue working for the tax agency without compromising their integrity.

Illegal Orders

Former senior IRS agent Paul J. DesFosses described this problem in an interview in the April issue of FREEDOM. "IRS employees are indoctrinated to follow orders blindly," he said, "regardless of the illegality or immorality of those

"Imposing a seizure quota is a lazy man's way to avoid reviewing individual cases to determine if a seizure is required," Mr. Hansen said.

"Even though they aren't supposed to have these things," he said, "somehow or another quotas find their way into the system through one form or another. There has always been pressure to do seizures. In some cases, it actually came down to being directly ordered to do seizures."

According to Mr. Hansen, "It was made very clear that if you didn't do seizures, you wouldn't be promoted. A lot of people in the service were having problems with this."

Three-Year Profiles to be Used in Selection of Returns

As part of the strategic plan, Merlin W. Heye, the district director in Jacksonville, Florida, was assigned the initiative to "improve the effectiveness of IRS examinations by exploring development of a system that would associate existing multi-year tax information for use in current year examinations and enforcement actions."

"Under this initiative," according to

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Exclusive FREEDOM interview
by C. Lee McCormick

Cleveland Amory's athletic will has made him one of the nation's most popular writers. He has written extensively for a wide variety of magazines and his many books have been best sellers. He is one of the country's most sought-after lecturers and he has had a distinguished career in television and radio as well.

In 1967, Mr. Amory founded The Fund for Animals, now regarded as one of the most effective anti-cruelty societies in the world.

In his crusade against cruelty to animals, he has become known as "a voice for the voiceless."

FREEDOM: Mr. Amory, would you tell our readers what caused you to get involved in the fight for animal rights?

MR. AMORY: Well, it began when I was sent to do a story on the good relationship between Nogales, Arizona, and Nogales, Mexico, sister cities across the border. A fellow there was promoting that I go see a bullfight. He did a tremendous job of selling me. He told me it was part of the social history, and what a beautiful and brave art it was.

The spectacle turned out to be the most God-awful, stupid, cruel thing I'd seen. Toward the end, the bull was walking around the ring just looking for a place to die. The horses were terribly gored by the horns of the bull. And there was the matador, strutting around the ring with the two ears of the bull in his hands.

Well, it was kind of a wet day and there were these cushions in the seats that were kind of damp. When the matador came by me I swung this cushion at him and hit him in the back of the neck and he went down like a stone. It was the best feeling I had all day. I remember there was kind of a hush in the place and I looked at the people there and said, "There may be a thousand of you and only one of me. But there is none of you that's going to do a thing 'cause you'd have to be a coward to like a sport like this."

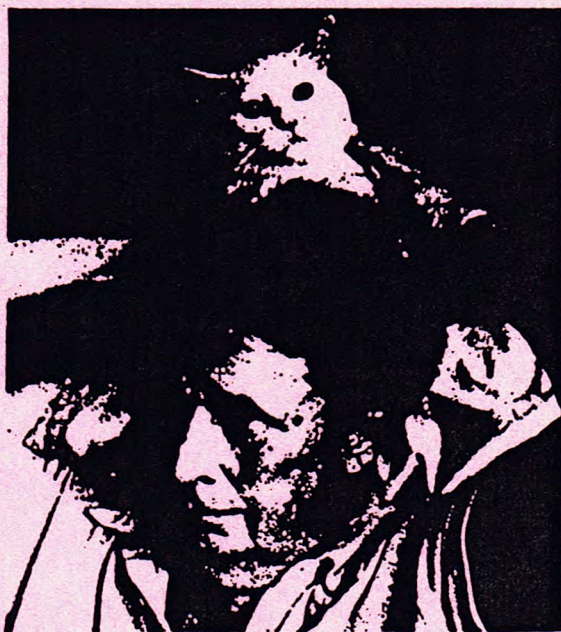
FREEDOM: Since that time, you have been savior to a great number of animals. Would you tell us about perhaps the most famous of all, Nim Chimsky?

MR. AMORY: Nim is probably the most extraordinary animal in the world. He was taken out of where he was born very quickly and from the time he was a few days old he lived with humans.

He grew up in the home of the people who studied him, not knowing if he was human or chimpanzee. Nim became famous by learning to talk in sign language. He mastered 125 signs and was featured on the cover of *New York* magazine in 1973.

Nim, who had given so much to the language project, was rewarded for his contribution by being returned to

Cleveland Amory "A Voice for the Voiceless"



Cleveland Amory

the Institute for Primate Studies — he was to be a part of a hepatitis experiment. We kicked up an awful fuss about his being in a research facility and I went to see Dr. W.B. Lommon, who had raised Nim.

We persuaded the institute to let The Fund for Animals give Nim a home. Nim now lives at The Fund for Animals' Black Beauty Ranch in Brownboro, Texas, which is a refuge for mistreated animals.

You talk differently to Nim than to other animals; you don't speak down to him. You can actually carry on a regular conversation with him. As I told you, Nim doesn't know whether he is human or chimpanzee.

For example, when Nim tells me he wants to brush his teeth, he looks at me like I've got a hole in my head if I forget to give him his mirror. When I give him an orange to eat, he'll peel it and hand me back the peel. Nim is extraordinary. I can't say enough for him.

FREEDOM: Mr. Amory, Dr. Bernard Rollin says the most cruel and useless experiments are done by psychologists. Do you agree with this?

MR. AMORY: I certainly do. The first psychology experiment I saw

was one of the cruelest things I've ever seen.

These guys would give this kitten an electric shock every time it tried to come near its mother. The mother cat finally got so desperate that she actually clawed at the kitten when it got near her.

I asked these guys what they were trying to prove by shocking the kitten. The psychologists said they were studying juvenile delinquency, to which I told them if they wanted to study juvenile delinquency they ought to go down into the streets and leave the poor cats alone. This was more than 20 years ago, and this stuff still goes on.

FREEDOM: You mean this same experiment is still being done today?

MR. AMORY: Yes, it's done over and over. As long as they can get grant money they will do it.

FREEDOM: Can you give us an example of another psychological experiment?

MR. AMORY: There is one that is going on right now down at a facility in Texas. Some psychologist is bashing kittens with pneumatic hammers and finding all kinds of ways of smashing them with different kinds

of instruments.

The whole idea is not for any purpose at all but to get a grant. And the grant is to test for a better boxing glove: to prove, with repeated blows, that smaller blows are just as damaging as heavy blows.

The researcher who is doing this is a member of the Texas boxing committee. You can't get this kind of thing stopped because the same mantle of protection that covers that kind of "experiment" also covers a doctor who may be doing a far more reasonable one.

So the doctors all stay by the ship and defend all experiments, including those stupid psychological ones. They feel if we get any foot in the door, we will say these experiments don't need to be done. Instead of being reasonable about it, we have seen that they are not reasonable.

I think it's going to be a long and difficult fight, and I think the time will come when we establish some ground rules and foul lines.

I don't think all experimentation is going to be stopped on animals. But I think that we have made quite a lot of progress in the sense of planting some seeds of doubt in people's minds that all is not well in the white coat department.

FREEDOM: Mr. Amory, psychiatrist Louis J. West killed an elephant by giving it a massive dose of LSD in a research experiment. Do psychiatrists often give animals psychiatric drugs?

MR. AMORY: Well, yes, certainly almost anything that could happen to a person, such as an overdose of drugs, will be studied by using animal lives.

Let's take, for example, smoking. They make a total smoking tool out of a dog. In other words, with every breath the dog takes he must inhale cigarette smoke. The government has to prove smoking is bad for you, and tobacco companies have to prove that smoking is great for you. Then there are those that are in between, the so-called independent people, that both government and tobacco companies hire to prove their point. As a result, the dogs are smoked three ways.

FREEDOM: What percentage of these experiments are actually useless?

MR. AMORY: At least one-half to two-thirds of these experiments don't need to be done at all.

I can give you an example as to the extent to which the absurdity can go. I was on a televised program debating the use of animals in laboratories. In the last few minutes of the program, I looked down at my notes and said, "Here's an experiment where they took the eyes out of a dog and put them in a cat and took the eyes out of

continued on page 20

A Critical Look at Psychiatry

by Thomas S. Szasz

I
A quarter of a century has passed since I began to try to clarify the core problems of psychiatry — namely, the nature of so-called mental illness and the justification for so-called involuntary mental hospitalization. My diagnosis of what ails psychiatry must have been right: during the past two decades the two most hotly debated issues in this field have been the so-called "medical model" of mental illness and the uses and abuses of mental hospitals.

II
Before scrutinizing the concept of mental illness let us examine the concept of illness itself. When we say that a person is ill, we usually mean two different things: first, that he or his physician believes that the complainant suffers from an abnormality of his body; and second, that he wants, or is at least willing to accept, medical help for his suffering. The term "illness" thus refers, on the one hand, to an abnormal biological condition and, on the other hand, to the social role of being a patient.

If a person does not suffer from an abnormal biological condition, we do not (usually) consider him to be ill. (We certainly do not consider him to be physically ill.) And if he does not voluntarily assume the role of one who is sick, he is not (usually) considered to be a medical patient. This is because the practice of modern Western medicine rests on two tacit premises — namely, that the physician's task is to diagnose and treat disorders of the human body, and that he can carry out these services only with the consent of his patient. In other words, physicians are trained to treat bodily ills — not economic, moral, racial, religious, or political "ills." And they themselves (except psychiatrists) expect, and in turn are expected by their patients, to treat bodily diseases and not the other miseries that beset man. Strictly speaking, disease or illness can affect only the body. The term "mental illness" is a metaphor. Trying to cure people with "sick minds" in hospitals with drugs is therefore like trying to cleanse people with "dirty minds" in laundries with detergents. Is it any wonder that everything under the sun — from conversation to convulsion, from love to lithium — has been acclaimed and accredited as a cure for mental illness? And that, at the same time, mental illness has remained the most incurable affliction?

III
How did the metaphor of "mental illness" achieve its present status as scientific myth? The idea of mental illness arose, in part, from the fact that it is possible for a person to act and to appear as if he were sick without actually having a bodily disease. How should we react to such a person? Should we treat him as if he were ill or not ill?

Until the second half of the 19th century, persons who imitated illness were regarded as faking it and were called malingers; similarly, those who imitated medical practitioners were regarded as impostors and were called quacks. As a result of the influence of Charcot¹, Janet², and especially Freud³, this perspective was radically transformed. After the turn of the century, persons who imitated illness — for example, who had "spells" — were regarded as genuinely ill, and were called hysterics, and those who imitated physicians — for example, who "hypnotized" — were regarded as genuine healers, and were called psychotherapists. This profound conceptual transformation was both supported and reflected by an equally profound semantic transformation — one in which "spells" became "seizures," and "quacks" became "psychoanalysts."



Thomas S. Szasz, M.D.

ity and portrayed in pantomime." In plain English: hysteria is the dramatic imitation of illness. Nevertheless, Freud would have us believe that hysteria is itself an illness.

The upshot of this psychiatric-psychoanalytic "revolution" is that, today, it is considered uncivilized and unscientific to treat a person who acts or appears sick as if he were not sick. We now "know" that such a person is sick: that he is mentally sick. But this view rests on the serious, albeit simple, error of confusing what is real with what is imitation; literal

"Trying to cure people with 'sick minds' in hospitals with drugs is therefore like trying to cleanse people with 'dirty minds' in laundries with detergents."

Two quotations from Freud's early writings support these contentions: In 1893, Freud writes that "hysteria has fairly often been credited with a faculty for simulating the most various organic nervous disorder." And in 1909, although without using such direct language, Freud acknowledges that the hysteric fakes illness: "... [hysterical] attacks are nothing else but phantasies translated into the motor sphere, projected on to moti-

meaning with metaphorical meaning: medicine with morals.

IV

The phenomenon of involuntary mental hospitalization is at once independent from and interlinked with the notion of mental illness. Alexander Solzhenitsyn's⁴ protest against the "mental hospitalization" of Zhores Medvedev⁵ (in 1970) is to the

point in this connection. "The incarceration of freethinking healthy people in madhouses," wrote Solzhenitsyn, "is spiritual murder ... a variant of the gas chamber, and even more cruel." But if this is so for "healthy people" what makes it justifiable when it is imposed on "sick people"? What is there about "mental illness" that makes a "mental patient" a fit subject for "spiritual murder"? How are these procedures justified in law and how are they understood in fact?

The legitimacy of coercive psychiatry does not rest on the medical model of illness, but on the pediatric one. The mental patient is considered to be like a child, so that the psychiatrist (especially the institutional psychiatrist) must act in *loco parentis*, protecting him and providing him with treatment. Consequently there must be appropriate authorities — doctors or judges or juries — with the power to classify some adult citizens as irresponsible children (that is, as "mentally ill" persons).

Psychiatric coercion is usually invoked in response to the behavior of "irresponsible" individuals whose conduct is self-injurious or injurious to others but falls outside clear-cut categories of crime. For them the forces of psychiatry take over: the actor is no longer a moral agent but a patient; his behavior is no longer conduct for which he is responsible but a symptom of his mental illness for which he is not responsible; the police, the family, and the psychiatric profession that control him are not his adversaries but his helpers; and the institution in which he is confined is not a prison but a hospital.

V

The man of common sense is now likely to ask: But what else is there to do — should we let the suicidal person kill himself, or the homicidal person kill others? These dilemmas raise fundamental questions of ethics, law, and politics. In a society dedicated to individual freedom and responsibility, self-injurious behavior cannot justify loss of liberty. The state, the family, and the medical profession must restrict themselves to offering help; they must eschew forcing help on unwilling persons and, indeed, ought to be prevented by law from doing so. Granted, some of the increase in liberty so gained might be purchased at the cost of the impaired health or even death of some persons who make themselves ill or who want to kill themselves, but freedom must entail the right to make the "wrong" choices.

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¹ Charcot — Jean Martin Charcot, 1825-1893, French neurologist.

² Janet — Pierre Marie Felix Janet, 1859-1947, French psychologist and neurologist.

³ Freud — Sigmund Freud, 1856-1939, Austrian physician and neurologist, founder of psychoanalysis.

⁴ Alexander Solzhenitsyn — born 1918, Nobel Prize-winning author; expelled from the Soviet Union in 1974.

⁵ Zhores Medvedev — born 1925. Mr. Medvedev, a world-renowned Russian biologist, was harassed because of his criticisms of the Soviet establishment and involuntarily committed to a psychiatric hospital in the Soviet Union in 1970.

DOSSIERS

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to the document, "the Service would explore development of a three-year taxpayer profile that would include information from existing data sources. . . ."

"This information," it states, "which consists of items not shown on the return, should be used as a supplement . . . in the selection of returns." [Emphasis added.]

"Hit Lists"

As is clearly shown in the IRS's strategic plan, the agency is moving away from its stated practice of selecting returns for audit based on errors or omissions detected by its computers, and is increasingly selecting returns based on non-tax information.

Tens of millions of Americans have already reportedly been placed on massive IRS "hit lists" merely because they belong to a particular economic group or because they have a certain religious or philosophical affiliation.



Thomas Carroll: IRS manager named in \$1.5 billion class action lawsuit.

As reported in recent issues of FREEDOM, persons involved in direct sales organizations, such as Amway, Shaklee, Tupperware, Avon, Fuller Brush, and Mary Kay, are on IRS "hit lists" — not because they have done anything wrong, not because they haven't paid their taxes, but because the IRS needs to give its massive machinery something to do. Without such "hit lists," many IRS employees — and most IRS managers and executives — would be out of a job.

Secret "Task Forces"

The strategic plan also shows the degree to which the IRS relies on special, secret "task forces" to accomplish its objectives.

The area of IRS task forces has been an area of intensive FREEDOM investigation, and the strategic plan

presents overwhelming evidence of the existence and functions of these entities.

Documentation regarding task forces has been uncovered as far back as 1969. Two secret IRS memoranda from that year, released under the Freedom of Information Act, reveal the creation of a special IRS task force on "Ideological Organizations."

According to the first memorandum, dated July 2, 1969, "What we are doing is trying to assemble all information available from within the Service, from the FBI, from the Department of Defense, from any other Federal agency having information, and from any Congressional committee having information. This data will be collated, analyzed, and given to the proper functional unit for attention."

The task force on "Ideological Organizations," which specifically targeted certain named groups, including religious organizations, was established by the IRS to operate beyond review or oversight by any congressional committee. The second memorandum, dated July 29, 1969, specifies that "A copy of this memorandum has been delivered to each person attending the meeting However, copies will not be furnished to representatives of the Senate Committee on Government Operations." [Emphasis added.]

According to the strategic plan, the IRS's use of such task forces has increased dramatically since 1969 and now apparently includes an even broader range of targeted organizations.

Frenzied IRS Efforts

Paul J. DeFosse, after reviewing the IRS strategic plan, stated that "One might conclude that part of the IRS's problem is too much information on taxpayers rather than too little, as is asserted by the IRS."

He continued, "From the statistics and the frenzied IRS efforts to gain more and more 'presence' in the private affairs of American taxpayers, it must be concluded that the IRS approach has not been working and is not working currently. Perhaps the IRS approach itself is the problem and, if that is true, as the IRS approach becomes more onerous, its failures will become more immense."

After extensive interviews with current and former IRS employees, and after the analysis of documentation received by FREEDOM, it is apparent that the tax agency has had a marked lack of success in achieving its stated goal of "voluntary compliance" from taxpayers. It is clear that the IRS is moving towards the use of direct methods of investigation, coercion and attack with American "hit lists" — and fundamental American rights and freedoms — as the targets. . . .



"His first name is Brackett. Last name is Denniston. D-E-N-N-I-S-T-O-N. And he's (617) 223-2280. He's the assistant U.S. attorney involved in the Tamimi thing. . . ."

PLOT

continued from page 1

throw current Church leadership and seize the Church's sizable property and assets.

This conspiracy was brought to light when a private investigator, working under the supervision of a Church attorney, obtained written permission from the Los Angeles Police Department to document criminal actions being planned against the Church in an effort to "bring it to its knees."

Advised of the efforts of a government informant to steal confidential Church documents and plant incriminating and fabricated "evidence" in Church files, a Church staff member arranged to meet with the informant under a guise.

The Church member told the informant that he was part of a group within the Church that was dissatisfied with current Church leadership and wished to improve matters internally. He called his fictitious group the "Loyalists." Seeing this as a golden opportunity to infiltrate the

Church and get his orders executed, and after several telephone conversations and reassurances from other fictitious sources, the informant set up a series of secret meetings on a park bench in Los Angeles with the "Loyalist." There he unfolded his bizarre plans and exposed the government plot to infiltrate and "smash" the Church.

With the videotapes exposed in open court, the editors of FREEDOM felt it imperative that the facts and details of this incredible operation be broadly published.

THE CAST

The cast of characters involved in this clandestine plot includes government agents in Washington, D.C., Boston and Los Angeles, among others:

• **GERALD ARMSTRONG:** A traitorous ex-Scientology clerk who left the Church of Scientology in 1982, he is now an itinerant, unemployed federal witness and government informant/operative. When he left, he stole thousands of valuable Church archival documents. He became an informant so that he could infiltrate the Church from the outside. To carry out the government's

plan, Armstrong was apparently trained and rehearsed by his lawyer, Michael Flynn, and by his several contacts in various government agencies.

1977. Doughty, like Greenberg, was in contact with the informant while representing the FBI in this suit.

SP-5 INVESTIGATIVE DIVISION, FBI, advised that he was not involved in the plot to arrest leaders of the Church from his current post and was in regular, daily contact with his operative, Armstrong. It is known to be conducting a general criminal investigation into supposed "violations" by the Church and named individuals. He, too, has Armstrong in the past to collect or "find" the information to build his "case," (NAT. INVESTIGATIVE DIVISION, FBI, AT HISTORICAL, IS CRIMINAL SPECIAL AGENT, HE WAS ARMSTRONG'S backup INS contact in the event that Lipkin could not be reached).

AL CLAMPIN DETECTIVE
SERGEANT OF CANADA'S
ONTARIO PROVINCIAL POLICE.
In 1983, after submitting a mislead-
ing and distorted affidavit, he en-
tered a massive police raid on the
Church in Toronto, compelled by his
unconcealed animosity. He has pressed for indict-
ments of Scientology parishioners
and staff. Clamplin was working in
very close coordination with Ar-
mstrong and according to Armstrong,
was pushing to get up to 26 top Scien-
tology management executives
indicted in Canada, so that the
Church would be crippled, disorien-
ted and unable to defend itself from
Ft. St. James, Armstrong and the "Loyal
Army" and

was in regular contact with this informant during the attempts to get the Church's civil rights suit against the government agencies dismissed.

• THOMAS DOUGHTY, SFC-CIVIL ASSISTANT U.S. ATTORNEY FOR THE FBI IN WASHINGTON, D.C.: He is the FBI's attorney in an ongoing lawsuit filed by the Church of Scientology against the FBI for violations of the Church's constitutional rights in connection with a massive raid which the agency conducted against the Church in

that Lammington paid to exonerate Flynn and accuse the Scientologists of attempting to frame the Boston lawyer for the crime. Obtaining evidence of this would apparently be accomplished through covert funding of false documents in Church files with the help of Armstrong and his

Armstrong has testified to the fact that during the attempted abduction of the Church, he was passing covertly obtained information concerning Church matters to Dennisson. According to the videotape, Dennisson was in contact with both Armstrong and Flynn during the storming of the investment into Flynn's involvement in the \$2 million check forgery.

Flyn's involvement in the crime. To this day, he has not followed up on the volumes of persuasive evidence given to him by Church attorneys and their investigators exposing Flyn as one of the perpetrators of the crime.

Conversations on the videotapes indicate that Armstrong was a government agent even prior to leaving the Church. Ongoing investigations have revealed that Armstrong may in fact have been a government plant from the first time he contacted the Church of Scientology in 1966. • BAYAKET BADGER DEN. NISTON III, ASSISTANT U.S. ATTORNEY IN BOSTON, He had been assigned to investigate an attempt to pass a \$2 million forged check on an account of Scientology founder L Ron Hubbard by Boston lawyer Michael Flynn. Denistion concealed the investigation into

Flynn has instigated lawsuits across the country in which more than \$1 billion in damages are being sought from Church corporations and scientists. Armstrong revealed that Flynn planned to settle all of his suits, once the current Church leadership was removed, at a rate of five cents on the dollar. There is evidence that Flynn's claims have assigned 50 per cent of his damages to the Church of Scientology. He has pocketed with \$25 million at the expense of the Church of

Flinn, after hearing of the success of his client, Armstrong, in obtaining the Church by finding an "in" with the Loyalties, decided a lawsuit that gave to Armstrong to pass on. The lawsuit was for use by the "Loy" allies to file against current Church executives "when the time was right." It was designed to wrest ultimate control of the Church corporate structure, assets and bank accounts to those who would then be made available to settle the multi-million lawsuits Flinn had brought against the Church and Scientology's founder.

The plot against the Church was carefully engineered with multi-agency cooperation. The characters involved in the plot are clearly shown in the videotapes to have conspired to:

- Direct an intelligence operation which would result in a group within the Church being a lawsuit delayed by Rhym. The suit was designed to obtain a recognition of all properties and assets of the Church. It would be based on false allegations — with no factual basis in Church files. The newly installed government-controlled Church leadership would then launch

Fraudulent documents from the church to serve as models for legitimate ones.

That forged documents in church files which could be "discovered" by government agents during a raid and which would then serve as incriminating evidence against the church.

Sole attorney-client privileged communications, including legal advice of the church and plans involving its litigation with Flynn and

The videotapes provide clearcut evidence of the Flynn/government agency conspiracy to overthrow the current Church leadership. A new, worldwide criminal conspiracy, and possibility to prevent any disclosure of Flynn's involvement.

7, 1964.
Armstrong arranged a meeting in Los Angeles' Griffith Park on November 10, 1964.
He could manipulate the "loyalty" membership, code-named "Joy," that he had established with a Church staff.
Convinced by several phone conversations with a Church staff member, code-named "Joy," that he could manipulate the "loyalty" membership, code-named "Joy," that he had established with a Church staff.

195 Criminal Investigation Division special agent Al Kautzke.

Later upon motivating the "Loyal-
 ist" to take control of the Church of
 Scientology, Armstrong emphasized
 to "Joy," the "Loyalist" representa-
 tive, that he had the full weight of the
 government behind him.

Referring to a large black book
 which he held in his lap, Armstrong
 rattled off a list of names of govern-
 ment agents and their phone
 numbers. He wanted "Joy" to call
 these agents to set up a meeting in
 which information could be
 exchanged and instructions could be

The meeting between the "Loyalists" and the government agents was important to Armstrong, as it would seal the conspiracy, with Armstrong as a central character.

The following conversation took place between Armstrong and Joey at the November 7 meeting:

[Armstrong's note: CA = Armstrong; J = Joey.]

CA: OK. Well, the agents have asked for some specific things. There all they've asked for. Now ...

J: Let me take notes. What have they asked for?

CA: Well, they asked for — see —

Officially, now — some of the things you've already asked for, and I've already passed on. The names that they mentioned — Harlowe, Reynolds [Church staff members] . . .

PLOT

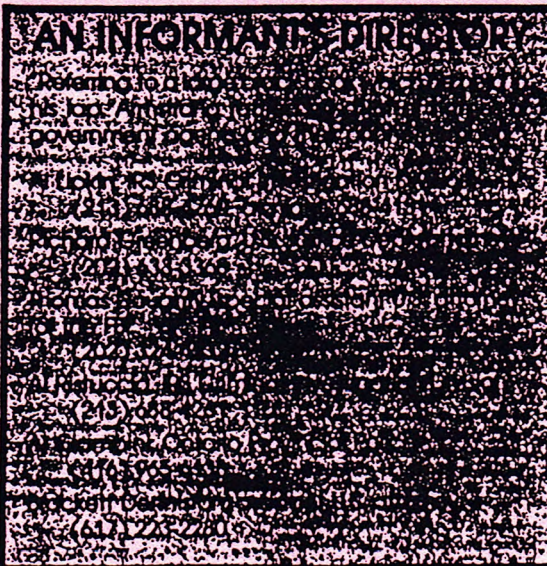
continued from page 9

GA: CID.
 J: Got it.
 GA: Now, do you want a number in CID?
 J: Yeah.
 GA: Your people should call — any problems, just call this guy.
 J: He knows about the Loyalists — what we're doing, stuff like that?
 GA: Yeah. Basically, yeah.
 J: What exactly have you told him and what did he say?
 GA: I've told him — well, he feels that — he keeps saying, "When are these guys going to talk to me? I'll meet under any circumstances."
 J: Wow!
 GA: He wants to talk. You know, wait a — let me get — Al Lipkin, (213) 688-4260. At night, 688-4151. . . .
 J: Great. Great. So, what agencies know about us and what do they want, and . . .
 GA: Justice Department, FBI . . .
 J: You talk to these guys?
 GA: Yeah, I do. Yeah.
 J: Like, who in Justice? Is there a number I can call there?
 GA: Uh, Richard Greenberg. I gave you that one, I think. He's the guy you should call. I'll give you that number. He's in D.C. . . . OK. Uh, (202) 633-3368. I gave you one for Tom Doughty, FBI in D.C.

J: What's his name again?
 GA: Tom. Thomas D. Doughty. D-O-U-G-H-T-Y. (202) 324-4532. I gave you CID. There's another guy in CID . . .
 J: Yeah, Al Lipkin?
 GA: . . . Al Ristuccia. R-I-S-T-U-C-C-I-A.
 J: Is this Al, too?
 GA: Albert, yeah. And — 688-4261. It may be the same as the other one I gave you — I'm not sure. Al Lipkin? No, the other one is — 4260. OK.
 J: This is CID?
 GA: Yeah, I believe that's how he can be reached. I'm taking a f_ of a chance doing this! So are you. But there is a lot of . . .
 J: What does he need from me? What does he want? Or is it just backup for what I need?
 GA: Well, it ties in. He would like to get everyone to talk so that they can move. But — but at the same time, I always say to him, "Listen, you're putting us in an uncomfortable situation. If you're telling me you haven't got enough to move right now, and I'm giving you the testimony, then I'm a marked man if you guys back off the investigation." The reason I do that is not because I'm particularly paranoid but because I'm searching for what's going on in their skull. He assured me the investigation's going forward: "We've got enough; that's just the way the government works."
 J: Canada?
 GA: Oh, in Canada, you know . . .



"I passed on to (IRS CID special agent) Lipkin yesterday to go after (Church coordinating attorney) Peterson; he should go after him with f_king tooth and nails."



the guy I've talked to a lot is Al Ciampini. (416) 965-6138.
 J: Who was he with again?
 GA: He's with the Ontario Provincial Police. Michael — Mike [Flynn] also thinks that the Florida attorney general is going to bring some charges. Uh, the — you know the whole FREEDOM thing? [This was in reference to FREEDOM's issue 61, in which affidavits from Ala Fadli Al Tamimi and his brother, Akil Abdul Amir Al Fadli Al Tamimi, were presented in a special supplement detailing Michael Flynn's involvement in a \$2 million forged check conspiracy. In the ensuing months, the FBI and the Department of Justice successfully stonewalled attempts to have the crime investigated.] Mike [Flynn] got an indication from — did I give you the name of the guy who's handling that investigation?
 J: No.
 GA: The Tamimi investigation? Uh, let's see — uh, Brackett Denniston. His first name is Brackett. Last name is Denniston. D-E-N-N-I-S-T-O-N. And he's (617) 223-2280. He's the assistant U.S. attorney involved in the Tamimi thing. . . .

FREEDOM was able to contact

Richard Greenberg, Al Lipkin and Al Ristuccia at the numbers provided by Gerry Armstrong. All three individuals refused to answer any questions about Armstrong.
 Repeated attempts to contact Thomas Doughty and Brackett Denniston were unsuccessful, as FREEDOM was told they were unavailable. Al Ciampini was not in his office.
 FREEDOM also tried to reach Michael Flynn, but Flynn had left for the day. He did not return our call.
 When later contacted at his home, Flynn hurled abusive language at the editor who called and then abruptly hung up.

The Planned Takeover
 It was crucial for the success of the planned takeover that the "Loyalists" gain access to confidential Church files so that they could plant fabricated, incriminating evidence against the Church leaders.
 These documents would then be "discovered" by government agents and used to bring indictments, which would allow the "Loyalists" to move in and take over the Church.
 Armstrong stressed the importance of staying in close contact with CID, to make sure the "Loyalists" did what CID needed them to do.

GA: I'll tell you who wants to talk to you is CID. CID are the guys.

That's the most likely, absolutely the most likely place in which the whole thing will happen. . . . Every time I talk to CID about you guys, they say, "God, have them talk to us." You know, they want to talk about the way things are. . . .

Armstrong relayed the government strategy to gain control by dividing the Church into separate groups or "cells," which would make it easier for the "Loyalists" to take over.

GA: I don't know if it makes sense to you to sort of divide up the organization and — uh, go after people on that basis. Just so that — you know, "Shit, we have this group covered," and then divide it up structurally, so that you have all the various key points which have to be covered. I think that you guys will be able to take over and then use operating income to continue the battle. And that way you can secure the buildings, take it over, and I think that it's going to take that kind of thing. . . .

He and IRS CID special agent Lipkin had already discussed the dangers of such a plan, and Armstrong reassured "Joey" that Lipkin "already talks about safe houses and relocating and renaming people." The IRS, in other words, would take care of them.

GA: They want to talk to you people. They want — uh, yeah, there's two things. Number one: you guys should, I think, make plans at least, in the event that the whole thing is blown — someone breaks or whatever — exactly how to handle it.

Armstrong explained to "Joey" that once they actually filed their suit, they would be rewarded with official government protection.

GA: As soon as that happens, they become federal witnesses, and the organization's not going to f---k with them. Or if it does. . . .

Gathering the "Evidence"

Armstrong had specific instructions on what kind of information should be collected from within the Church. He desperately wanted someone in a position to have access to confidential Church files, computer records and attorney-client privileged information, and he was crestfallen when "Joey" told him he couldn't get into the computer files.

GA: No one that we have any control of can look in computer records? . . .

J: I don't have access to computers. We don't have access to computers.

GA: Oh, you don't. OK. That's

good to know. I thought you had someone in there, but that's fine.

Armstrong came to the secret meetings armed with a government "shopping list" which detailed the particular information the "Loyalists" were expected to gather.

GA: These are my — what is it you call it — a shopping list.
J: Right, your questions are on the back.

GA: My questions are at the back, yeah.

ment of the Church who could gain access to attorney-client privileged materials.

GA: Check the goddamn finance records, if you have access. This is the sort of stuff which you need in order to put together the coup de grace.

Armstrong — undoubtedly reflecting the interests of his IRS CID "friends" — was particularly interested in payments made to Church attorneys and private investigators.

In their proposals statements implying that illegal actions were occurring within the Church about which they were very concerned. Armstrong called these planned proposals "CSWs," using a Church abbreviation for "proposal".

GA: So therefore, here's my proposal, and just the fact of having that goddamn proposal of some guy . . . you've got such incriminating information in the CSW, you follow?



"I don't have this thing about life and death that I used to have. In fact, I would rather welcome a bullet."

J: (reading the note) How much pay to Ingram (a private investigator), by whom, what corps [corporations] and individuals, when each payment made, how much for all other PIs [private investigators]. . . . The specifics on this stuff.

GA: Right.

J: Now, once again, this is in attorneys' offices and maybe they can find out how much is paid to the attorneys.

Far from being concerned about violating attorney-client privilege, Armstrong encouraged "Joey" to search the Church's attorney files. He was particularly interested in going after Church coordinating attorney John Peterson, who was the Church's lead attorney and whom Armstrong perceived as a threat to himself and his co-conspirators.

GA: I passed on to [IRS CID special agent] Lipkin yesterday to go after Peterson; he should go after him with f---ing tooth and nails.

Armstrong asked "Joey" to recruit someone high up in the legal depart-

The plan was somehow to use the information to attack Church officials for using Church funds for the legal defense of the Church — as though there were something wrong with this.

GA: You should find out all payments made that went to attorneys, because I have people who can trace those bank accounts* and see where the disbursements went from those accounts. You following me? . . . But not only for your suit, but to give to the various people that are involved. You know, so that Brackett Denniston, [Assistant U.S. attorney in Boston, Massachusetts] who is investigating Ingram, knows. If we can get anything on Ingram, anything on Peterson, anything on finance records . . . it's all vital.

If no evidence existed, Armstrong suggested, "Joey" could fabricate it, plant it in Church offices, and let the "feds" know where to look when they went "hunting."

Armstrong's idea was for the defectors to write proposals for the revision of Church policy, including

J: So we put a letter together saying that. . . .

GA: I'm saying a CSW, and you keep your copy of the CSW. They [the feds] are going to come around hunting — "Where the f--- is it? Ah, shit, got rid of it all!" Except you've made it off the property and you've got it somewhere. Type it off the property and bring it in. There's no problem bringing stuff in, right? You could bring stuff in — maybe you can't sit at your desk and type it — I don't know. . . . But just maybe that sort of stuff can be done — issues [published Church guidelines and information] could be created, stuff can go in. . . . And that's the sort of material which we'll use to put into the goddamned affidavits.

continued on page 12

* According to L. Fletcher Prouty, who was a vice president of a major bank in Washington, D.C., following his retirement from the Air Force as a colonel, the only people with the authority to "trace bank accounts" are employees of the FBI who have been granted specific power to do so.

PLOT

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Armstrong considered it so urgent that this be done that he was even ready to write the affidavits himself.

GA: You guys are going to need to put out issues when this thing happens. . . . You should be preparing — right now, in my opinion — goddamn affidavits that I can be — that we can put into a computer and have run off and ready to go. I can write — I write legal sh.t. . . . You see, you're going to need someone who — you know — you can give me a rough draft and — you know, we can rework it and send the damn thing back to you for signature!

In a conversation with another "Loyalist" named "Mike," Armstrong specifically asked for allegations of criminal activities.

[Editor's note: M = "Mike."]

GA: There are hundreds of lawsuits. That's standardly what lawsuits are, you know, a lot of

times, uh — lawsuits have that form. It is simply a disagreement over who has control of corporate funds. That is — that is simply the issue. They don't allege that there was any criminal misconduct or illegal use of the funds or anything.

MI: But this is alleging that there's criminal misconduct.

GA: That's right, and the reason for that is because with that, if you can get any of those things, then — then the court can act immediately to freeze the accounts.

When "Mike" explained that there was no evidence of criminal acts on the part of the Church, Armstrong became very impatient. On two separate occasions, he stressed that the filing of a lawsuit against the Church was not dependent upon evidence of wrongdoing. Armstrong insisted that they didn't have to prove anything — they just had to make the allegations.

GA: How much was paid to Ingram?

MI: I don't know that data yet.

GA: Who paid?

MI: I presume the attorneys paid him.

GA: Yeah, but it comes from your [the Church's] money.

MI: Right, so then it would be how much is paid to the attorneys, right? I mean, that's what we would want to know.

GA: Who gets an accounting of what — you know, your board members. Your lking board members! The guy's on the board and you can't find out? Those are the people who should be signing it, who should be doing it.

MI: OK. I'm not asking about whether they can find out, but whether they need to, in order to be able to do this. Do you see what I'm saying? It's like . . .

GA: They can allege it! They can allege it! They don't even have — they can allege it!

MI: So, they don't have to — like, they don't have to have the document sitting in front of them, and then . . .

GA: I'm lking saying the organization destroys the documents! . . .

MI: The point — the point I'm

trying to get across is that that's not criminal. That's the — that's the civil complaint in there and that would have to be proven.

GA: Show me the lines you're talking about.

MI: Well, it's over here.

GA: Where are the — we don't have to prove a goddamn thing. We don't have to prove sh.t. We just have to allege it.

An Obvious Slip

Armstrong was exchanging information regularly with his lawyer Michael Flynn, who wanted Armstrong to send him any and all materials provided by the "Loyalists."

On November 7, 1984, "Joey" gave Armstrong a number of Church issues which had been requested by Flynn.

J: . . . I have a whole bunch of documents here, and samples of different kinds. I can give you these.

GA: Good! This is, ah, like a kid in the candy shop!

J: I hope I got what you wanted here.

continued on page 1

THE CONSPIRATORIAL NETWORK



Gerry Armstrong

"I am only a relay point in this thing. However, I — I do make it, you know, my purpose to create as much sh.t as possible."



Al Ciampini

Brackett Denniston



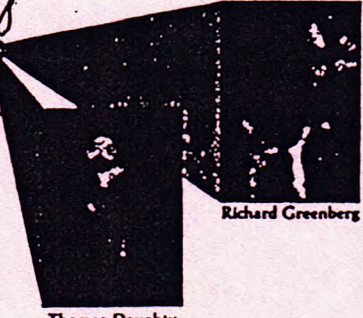
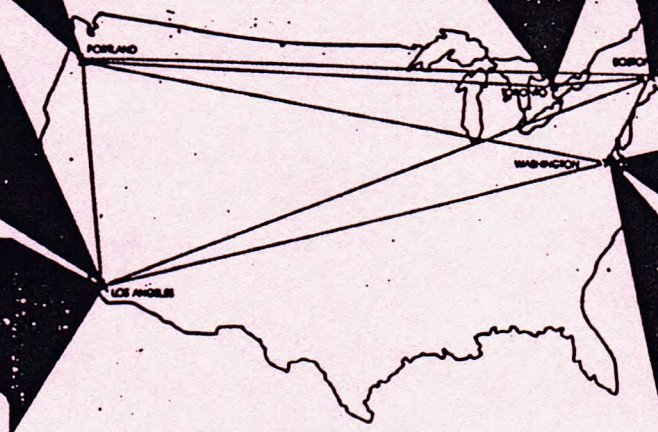
Michael Flynn



Al Liptin



AJ Ristuccia



Richard Greenberg

Thomas Doughty

WHAT IS HAPPENING TO YOUR PERSONAL FREEDOM?

On October 7, 1984, Scientologists™ and other men of goodwill gathered together in the cause of establishing religious freedom and personal liberties for man. They formed an international association and adopted the following pledge as a statement of intention towards bringing about continued survival of mankind:

Pledge to Mankind

Time and again, throughout the troubled history of civilization on this planet, new ideas, new religions and constructive thought have met with violent opposition. Such attacks come from those who would preserve the status quo and particularly from those who seek to preserve and enhance their position through the domination, subjugation and even destruction of others. For this reason, new religions have been born in blood at the cost of great sacrifice and suffering by adherents. It is only through a unity of purpose and unwavering commitment by a dedicated group that new ideas and new religions survive and expand.

Scientology® has been in existence now for some thirty-four years. During that time it has suffered all manner of attacks from the forces of oppression in various countries. Yet Scientology has survived and expanded because of the dedication of its members and because it is a force for goodness and freedom which is easily recognized by men of goodwill; despite the vicious lies which are spawned by those who would enslave mankind and which are carried by the media.

Scientology is experiencing the greatest expansion and prosperity in its history. International in scope, Scientology each week frees more people from the debilitating effects of drugs, ignorance and other sources of aberration and moves them on the path to greater awareness, self-respect and dignity than all other groups combined.

Yet as we have learned in our thirty-four years, whenever we expand, we are attacked, commensurate with that expansion. And today is no exception.

In the United States, which was once thought to be a haven of religious liberty, we are the targets of unprincipled attacks in the court system by those who would line their pockets from our hard-won coffers. Bigots in all branches of government, fearing the success of Scientology, are bent on our destruction through taxation and repressive legislation.

We have been subjected to illegal heresy trials in two countries before prejudiced and malinformed judges who are not qualified or inclined to perceive the truth.

In Canada and Germany, our Churches have been subjected to vicious raids reminiscent of the historical genocide attacks on religions that took place in "less informed" times and societies.

The news media choose to ignore the good works and miraculous successes of Scientology and instead seek to poison public opinion through vilification of the religion and its Founder.

The detractors of Scientology know full well that it is a proven, effective and workable system for freeing mankind from spiritual bondage. That is why they attack. They fear that they will somehow be threatened by a society which is more ethical, productive and humane through the influence of Scientology and Scientologists. Thus when we expand, to that degree we are attacked.

Up to this day, the responsibility for defending Scientology has been on the shoulders of a desperate few. And so it will continue in large measure.

Yet, in order to continue the quest for a new civilization where honest men have rights; and freedoms abound, the assistance and dedication of each and every Scientologist and other men of goodwill is essential. The road may be difficult and may get worse due to the rapid decline of civilization and erosion of personal liberties at this time. But united in purpose and dedication, we shall prevail for the benefit of all mankind.

We, the undersigned, pledge ourselves, without reservation or any thought of personal comfort or safety, to achieving the aims of Scientology: "A civilization without insanity, without criminals and without war, where the able can prosper and honest beings can have rights, and where Man is free to rise to greater heights."

We invite Scientologists and other well-intentioned people everywhere to join us in this pledge.

To date, thousands of men and women of goodwill from more than 50 countries on five continents have joined in this purpose and signed the "Pledge to Mankind." If you care about your personal freedom and if you would like more information on how you can contribute, contact:

The International Association of Scientologists
Saint Hill Manor, East Grinstead, Sussex, England RH 19 4BR

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PLOT

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GA: Oh, so far, we're looking great!

J: OK, you want to take a look at them? I haven't really studied them closely, but maybe I can help you answer any questions. GA: You know, I won't waste your time right now with going over all of this, because I know as I go through it and study it and study the legalese, I'm going to have a lot of questions. Mike [Flynn] is going to have a lot of questions. OK?

J: Yeah.

GA: ... And I'm going to copy this stuff, send him [Flynn] off the package, and sort through it and see what the heck it really is all about.

This was obviously a slip on Armstrong's part. During a later meeting which took place on November 9, "Joey" asked him if he had had any recent conversations with Flynn, and Armstrong abruptly let him know that he intended to cover up Flynn's involvement in the conspiracy.

J: OK. Any news from Michael [Flynn]?

GA: No ...

J: Great. I got this. This is good.

GA: By the way, I'll never admit that anything comes from Michael [Flynn], including any complaints which I may have drafted.

J: Why's that?

GA: Because that's what — that's how I've got to approach it.

Armstrong again made a slip during another conversation with "Mike" concerning the planned lawsuit. He could not hide the fact that Flynn was a key supporter and one of the masterminds behind the takeover plot.

The following exchange occurred during a meeting between Armstrong and "Mike" on November 30, 1984:

GA: ... There's no one around, aside from Michael Flynn, who has an understanding of this whole f---ing thing like I do, and that's a fact.

M: OK. I mean, is — is Flynn willing to help us on this?

GA: Well, what the f--- do you think? We talk every day about it! But that's not for you to report around.

M: No — OK, OK.

GA: Because I have no intention of hurting Mike Flynn.

M: Right.

GA: But I'm telling you, he's behind it 100 per cent — abso-

lutely behind it.

Flynn's Plans for the Church

Flynn's involvement in the takeover plot as revealed in the videotapes is not surprising, considering his history with the Church of Scientology.

It started officially in 1979, when Flynn created a corporation called Flynn Associates Management Corporation (FAMCO).

The purpose of FAMCO, as documented evidence has revealed, was to destroy the Church of Scientology through a series of class action and damages lawsuits designed to break the Church financially, with the profits accruing to FAMCO.

established Church hierarchy and take over the Church.

GA: Well, this is how Mike [Flynn] sees the legal battle is going. What he sees is there's no other way — like, it's going to happen sooner or later, you know, because there's like a last skirmish going on and that's about it. ... Ah, his feeling is that a couple — a handful of the right people with affidavits can end it — just end the whole damn thing.

Flynn had high hopes for winning his suits against the Church, and Armstrong reflected his sentiments.



"I'll tell you who wants to talk to you is CID. CID are the guys. That's the most likely, absolutely the most likely place in which the whole thing will happen. ..."

A 1981 FAMCO document entitled "Scientology — Review and Planning," detailed a simple four-point plan by which Flynn expected to achieve his purpose. The plan included:

1. Closing Scientology organizations;
2. Adverse media [against the Church];
3. Adverse public reaction [against the Church]; and
4. Federal and state attacks [against the Church].

Although Flynn has denied ever having implemented his plan, evidence provided by Armstrong in the videotapes indicates that Flynn's FAMCO plan was indeed activated.

Armstrong reassured "Joey" at one point that he had spoken to Flynn, and that Flynn felt it would be a very simple matter to do away with the

GA: ... They [the Church] only have to lose one, and attorneys all over the country are going to jump on the f---ing bandwagon. And watch — you know, all of a sudden you've got precedents being established which are incredible. ...

During conversations with "Mike" and "Joey," Armstrong's words mirrored Flynn's plan. He also provided an insight into how Flynn and the government intended to end the legal battles in short order, once the Church had been taken over.

Their plan was to convince the "Loyalists" to remain in the Church so that, once their suit was filed, they could move into top leadership positions. As government pawns, they would assist in the Flynn/government takeover of the Church.

J: Yeah, the committee was interested in — you mentioned to me a long time ago — you saw, like the — that you were sort of like the "Meisner" [a government informant involved with the 1977 FBI raid on the Church who provided information against the Church of Scientology] of the Toronto raid, right?

GA: Yeah.

J: We file this suit, so whoever files it will sort of be like the "Meisner" here, again. Is that right?

GA: Well, this is a different thing. Mike [Flynn] was pretty adamant last night. ... The difference is this: Meisner took off, right?

J: Yeah.

GA: I took off. Franks took off. Laurel took off. First Nelson took off. Mayo took off, OK? Every one of those people took off. We are all Meisners. You guys are not because you have it within your power to stay there. You have it within your power to simply say, "We are not moving," and watch what happens if you guys said that. If you guys get pushed around, Mike [Michael Flynn's] recommendation was do not leave, stay there. Say, "We are the organization." And also, if you want to, from here on out set up a communication line with me, so that if I'm not called every 24 hours, then I know to get the feds and get down on the f---ing doorstep.

One day "Joey" asked Armstrong, during a pause in their conversation, why he was so intent upon destroying the Church. His answer revealed that he had been working for the destruction of the Church even before he left it.

J: What's your — your ...

GA: My purpose?

J: Yeah, for the Church.

GA: Well, my purpose initially is global settlement. I want that. I've done this sh--- now for going on three years, and even longer before that when I was inside ...

On another day, Armstrong revealed how he expected to achieve his "global settlement" during a conversation with "Mike":

GA: ... You know, you've — you've got federal agencies, you know, just about to bring the hammer down. You guys [the Church] are assaulted from every quarter with lawsuits. And they can all be bought off — they could all be bought off for — you know, for five cents on the dollar.

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Agencies in Turmoil As Conspiracy Exposed

Immediately following the FREEDOM exposé of the Armstrong videotapes, a number of events occurred which served to confirm the existence of the government plot which Armstrong had unwittingly exposed.

Feeble Attempt

A hasty and feeble attempt to divert attention from the contents of the videotapes came from an unexpected source when Los Angeles police chief Daryl Gates made a public statement attacking the private investigator who had done the taping and the police officer who had authorized the surveillance.

Instead of addressing the evidence of government agency criminality exposed in the videotapes, Gates denounced the private investigator who procured the videotapes, saying it would be "a cold day in hell" before the Los Angeles Police Department (LAPD) would cooperate with the private investigator.

Failing to mention that the surveillance techniques are widely used by all echelons of the police in gathering evidence of criminal activity, Gates attempted to undermine the legality of the evidence by challenging the police officer's authority to permit it in the first place.



Los Angeles Police Department Chief Daryl Gates.

Two IRS Criminal Investigation Division (CID) agents identified in the videotapes as being actively involved in the conspiracy to disrupt and destroy the Church of Scientology — Al Lipkin and Al Ristucca — were seen leaving the LAPD building shortly after Gates' statement was released to the news media.

One of the agents was heard to say, "They can do this to the FBI, but they can't f--- over the IRS."

Gates' statement regarding the videotapes was released on a news wire out of Los Angeles at the same time that a press conference was being held by the Church in that same city, where excerpts from the videotapes were being played for the news media.

To further chill the widespread exposure of the criminal conspiracy revealed in the Armstrong videotapes, three armed men who refused

involvement in the conspiracy to destroy the Church.

Contacted by FREEDOM regarding his removal from the case, and questioned on his relationship with Gerry Armstrong, Denniston became flustered and finally blurted out, "I'll save you some time. I have no comment — on anything!"

FREEDOM has learned that with his removal from the case, a grand jury concerning the check forgery is

the head of the IRS, Commissioner Roscoe Egger, and CID chief Richard Wassenaar — an opportunity to comment on the Armstrong videotapes and the evidence in the tapes that IRS agents were involved in the conspiracy.

Not one of the key IRS officials, however — at either the district, regional or national level of the agency — would venture to make any comment at all.

"The grounds for Denniston's removal . . . was the 'bad publicity' that had resulted from the revelations of Denniston's involvement in the conspiracy to destroy the Church."



Brackett Denniston III

to identify themselves showed up at the press conference. Although they wouldn't give their names, one did admit that he was with the LAPD.

The extent of Gates' complicity or involvement in this government criminal conspiracy to destroy the Church is not known at this time. FREEDOM has learned, however, that the Los Angeles police refused to assist the Church in 1982 when asked to help recover the thousands of valuable Church archival documents stolen by Armstrong.

Shake-Up in Boston

While the cover-up attempt was occurring in Los Angeles, the U.S. attorney's office in Boston was the scene of a significant shake-up.

Assistant U.S. attorney Brackett Denniston III, the man who had been assigned to investigate the attempted \$2 million check forgery on an account of Scientology founder L. Ron Hubbard and who had ignored evidence provided by Church attorneys implicating Boston lawyer Michael Flynn in the crime, was unceremoniously removed from the case.

The grounds for Denniston's removal, as reported to a Church attorney hours after it had occurred, was the "bad publicity" that had resulted from the revelations of Denniston's

finally being convened.

It remains to be seen whether this grand jury will be an honest attempt to ferret out the truth of the check forgery or whether, as FREEDOM suspects, it will be just another chapter in the government's continuing efforts to protect and whitewash Church foe and government ally, attorney Flynn.

Further Developments

Meanwhile, an assistant U.S. attorney in Portland, Oregon, and an IRS CID agent unexpectedly burst into the courtroom where the Armstrong videotapes had first been introduced into evidence.

Apparently not realizing that the videotapes and their transcripts had been released to news media all over the country almost a week before, the assistant U.S. attorney filed a motion to obtain copies of the videotapes.

Church attorneys nonetheless supported the assistant U.S. attorney's completely unnecessary motion to obtain the videotapes and urged the judge to release them, saying, "We welcome an investigation into the government criminal conspiracy revealed on those tapes."

Tight-Lipped Silence

FREEDOM gave nearly a dozen IRS officials — all the way up through

One source within CID told FREEDOM that if IRS officials were refusing to comment — at the district level at least — it meant they had received direct orders "from the top" to keep their mouths shut.

FREEDOM also sought comment from the FBI and the Department of Justice. As with the IRS, however, we ran into a tight-lipped wall of silence.

Congressional Investigation Needed

Grave concern has already been expressed by a number of congressmen over the fact that the very government agencies that have been entrusted with the responsibility for protecting American citizens from unlawful and unconstitutional actions have been found to be instigating, condoning and then attempting to cover up unlawful conduct on the part of their own agents.

The concern on the part of Congress comes not a minute too soon.

Nothing less than a complete and widespread exposure of all crimes and their perpetrators through a full congressional investigation — as was done after the Watergate scandal — will bring about a thorough housecleaning and replacement of criminal government officials, so that citizens' confidence in the justice system of this country can be restored. A

PLOT

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Perjured Testimony Revealed

Armstrong and a number of other "witnesses" for whom Flynn had drafted affidavits testified repeatedly under oath that the religion's founder, L. Ron Hubbard, was managing the Church of Scientology. These "witnesses" testified that they had "personal knowledge" that Hubbard was a "managing agent" for the Church.

However, the spontaneous comments made by Armstrong to one of the "Loyalists" in November 1984 clearly show that neither Armstrong nor Flynn nor any of the "witnesses" actually knew anything about current Church affairs or who was running the Church.*

GA: Let's talk to these guys [government agents]. Great! I think that they would want to talk in person, because they're searching for understanding about it [the Church] with current information. Obviously, the information they have — unless they got hold of some defectors, is not very current. You know, 1982 is really the most current information, I believe, of anyone they're talking to that I know of... Have there been any high level defections — any defections recently that they're concerned about?... What is the actual line of control? Who is in charge? Because someone is...

This admission of ignorance by Armstrong directly contradicts sworn testimony he has given in court. It is evident that neither lying under oath nor fabricating evidence were matters of concern for Armstrong.

High Level Infiltration

—Armstrong suggested a method by which the information could be obtained: planting informants at high levels within the Church.

GA: I just think you guys — I don't know if it's been tried before, but there's definitely a way to get to the top — that's been known in high political circles for a number of centuries.

Although Armstrong testified

* The Church has been managed for a number of years by a committee of senior Scientology officials. L. Ron Hubbard retired from any involvement in Church operations some years ago and is currently pursuing his career as a best-selling science fiction author, as well as continuing his Scientology research.

under oath that he never proposed or participated in any covert operations against the Church of Scientology, during a conversation with "Mike" on November 17, 1984 — prior to his testimony — Armstrong presented a full-fledged plan for creating his own intelligence network within the Church.

In this way, he hoped to have an immediately available information pool from which he could draw and, at the same time, plant false and incriminating documents.



"There's no one around, aside from Michael Flynn, who has an understanding of this whole f—king thing like I do, and that's a fact."

Armstrong wanted to know if there were any "old intelligence personnel" within the Church who had secretly defected. Armstrong had in mind to replace the Church's private investigators with his own — planted — intelligence agents.

GA: I don't know everything that can be developed, but possibly — I see the possibility of the removal of the PIs [private investigators]. They remove the PIs and they've got to set up their own internal information apparatus again...

He asked if there was anyone who was in a position to obtain the reports of private investigators.

GA: Are they in a position where they can get current strategy? Are they in a position where they can get PI reports?... Can they find out who — who are the operating PIs currently? Can they do that?

He suggested that his "friends" in CID could help to gather damaging information on the private investigators. The information could then be slipped to Church officials, and would hopefully result in the firing of these investigators.

GA: Now maybe you can't neces-

sarily do all those things. Maybe CID can run a make on them.... And I'd like to — I mean, they can do it. They'll run checks.... That's the kind of liaison where — where you know, we can actually cause a lot of things to happen if there is that kind of detailed information going back and forth....

I mean, I envisioned it at the outset that potentially you guys could — uh — develop an intelligence apparatus which the organization does not have currently, simply by scooping the PIs. If you had a lot, if you had some intelligence on Armstrong — you know — you could get a feather in your cap. And possibly move up in that way to the point where you're let in on what the f—k's going on. Or someone — you know what I mean? If suddenly — uh — you're the only guy that has, you know — let's say someone in the organization had the sense, the sense to retain a mole somewhere. And let's say that someone — we could set it

up that someone got close to me. Then you've got your intelligence network. And then back the PIs off because you don't want them f—king it up.

Then suddenly you're getting funding to get them intelligence that you don't give a f—k if they get or not, but they get real excited about it. I mean, the organization — the people at the top — get excited about little — wow! You know — this has happened, or that has happened. Then they start buzzing about it, right?

GA: Yeah.

GA: Well, you should give them something to buzz about. I don't know the form of it because it's only me. I don't know your — your capabilities, or who you've got on the outside, or — you know — the, the communication lines by which it could happen. We could set the whole goddamn thing up so that — so that you've got someone from the organization in the same apartment complex that I live in — that I moved to. You know what I mean? And — and possibly in that way you can — uh — have enough information so that it makes sense

that you're contacting the people to talk about it.

GA: Right.

GA: And becoming part of the top simply because you're — you're the guy who's got it. And they're going to depend on you. You following me?

GA: Yeah, I'm following you.

Obviously, Armstrong recognized that the use of private investigators was a threat to the government's covert plan to infiltrate and take over the Church. As has now been proven by the existence of these videotapes, and further authenticated by sworn affidavits recently filed in courts around the country, it was in fact the private investigators who uncovered the Flynn/government takeover plot before it could be carried out.

Planned "Disappearance"

Armstrong went to such bizarre lengths as to plot a staged "disappearance" which, as he hinted to one of the "Loyalists," could be blamed on the Church. This was not surprising, considering Armstrong's earlier false statements that he was "afraid for his



life," at the hands of the Church, while appearing around the world as a media darling and "expert witness" against the Church of Scientology.

GA: I am only a relay point in this thing. However, I — I do make it, you know, my purpose to create as much sh—t as possible. You know, hence I have...

GA: Sh—t for the organization?

GA: Yeah. I — whatever I do — you know, because I have no — I'm not hooked into anything....

GA: Right....

GA: In fact, you know, I'm in a more vulnerable position because I can be — you know, I'm so visible. What if I dropped out

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of sight?

Ms: Well, we'd lose you.

GA: Not necessarily.

Ms: You mean, we could set it up so that you just dropped out of sight?

GA: Exactly. You know, it could be real beneficial. Maybe it can draw the organization into something.

Ms: So, what if you dropped out of sight? I didn't totally follow the — the progression there. What...

GA: I mean...

Ms: What — what would the advantage be?

GA: It could possibly be a great deal of advantage. That I — I don't know...

Ms: I'm not — I'm not following that. I'm not — you mean we can maintain a comm [communication] line with you even though you were not as visible to everybody else in the organization?

GA: When someone drops out, it really excites people. You know what I mean? ... If that were to happen, then — then...

Ms: But, don't you think that would just attract more attention to you and make it more difficult for us?

GA: I don't — I don't see why, necessarily.

Ms: And you feel like it would be best for you to drop out of sight in order to pull that sort of stuff off?

GA: No, not necessarily. I just see that — I know that that excites people in the organization when they can't find somebody.

Ms: What do you want to excite them — what? I'm a little lost on that as to why we would want to excite them about you. I mean, if you're our comm line...

GA: You don't have anyone else to — you don't have anyone else whose life you're potentially in control of out here, in a position such as myself.

Ms: No.

GA: Someone who — someone who could excite them, I mean. I have excited them, right?

Ms: Right.

GA: The same thing could happen again. And maybe this time when it happens they can be set up. And maybe you can get what you need... I know that if you got some intelligence personnel in there, and you give them the idea — I mean, there's a lot of things that can be — that can develop. You know, with our existing communications. It's such a unique situation that it can be developed into anything you want...

I don't have this thing about

life and death that I used to have. In fact, I would rather welcome a bullet. In a sense, it puts me in a rather powerful position — not that I'm looking for it and that I would ever contemplate doing it myself, but, ah, I don't care. And if you guys can use the fact that I don't care and the fact that I write and the fact that I've disappeared and — uh — other facts

which you can use.

Script for Lying

Armstrong knew he was taking a risk in speaking so freely to "Joey" about his role in the Flynn/government takeover plot. To ensure "Joey" would not inadvertently blow his cover, Armstrong instructed him on how to lie should he ever be questioned about their meetings.

GA: OK. What are our conversations, should it come down to it? J: What do you mean?

GA: What do we talk about? You're deposed. You walk out there, and there's a PI — hands you a paper saying, "You're deposed, Jack. And not only that, you're out of the organization." And what do you say in deposition?

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Dear Congressman Edwards,

It is vital to the survival of freedom and justice in this country that a full-fledged, public congressional investigation be launched into the facts and perpetrators of the far-reaching, flagrantly illegal, and unconstitutional counter-intelligence program, known as COINTELPRO.

COINTELPRO, originally exposed by Congress and supposedly terminated in the 1970s, nevertheless continues to be ruthlessly and indiscriminately carried out against American citizens by agencies and officials of the U.S. government, including the FBI and the IRS's Criminal Investigation Division (CID).

I believe that this lawless COINTELPRO campaign, exposed by FREEDOM News Journal in its story, "Videotapes of Federal Informant Reveal Bizarre Government Plot to Destroy Church," poses the greatest threat in our nation's history to the rights and freedoms guaranteed to every American.

I urge you to once again use the watchdog powers of Congress to expose the truth and thereby preserve our system of constitutional government of, by and for the people, by holding a thorough and searching congressional investigation — before the eyes of the American public — into COINTELPRO.

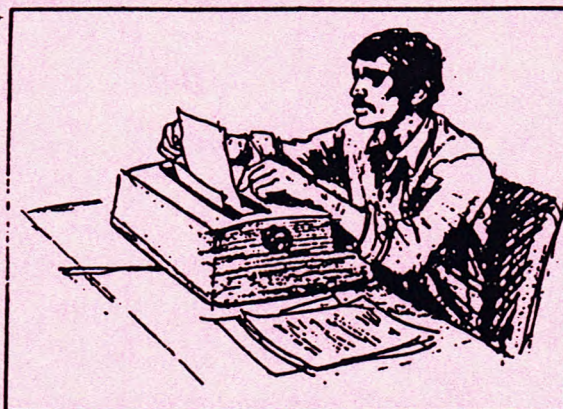
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"... I can create documents with relative ease, you know. I did it for a living!"

simply create these, you know — I can create documents with relative ease. You know, I did it for a living!

J: Great, so what kind of stuff are we going to want to create, and who's going to get it?

GA: That's what we need to talk about!

Armstrong gave "Joey" some helpful hints on how to assess the loyalties of Church members without anyone knowing what they were doing or who was doing it.

GA: I've given you the one thing which I think is a fairly smart idea, which is to use an issue as an assessment. It would happen everywhere. They could never tell, you know, if it was done right. It would be in all the baskets [in-trays or in-baskets] and they could never tell.... I tell you what — within the next 24 hours I'll give you an idea. I'll write something, and we can just toss around how it can be used.

Armstrong was pushing heavily to get someone to finance an outside printing operation. He painted the picture of what it would be like if "Joey" could just get someone to put up \$20,000.

GA: Well, we could set up a press and we could produce issues, and then we could set up a network, and we could have communication lines running outside the organization. You could create a pool of information, just as an immediate thing....

The purpose of this "pool of information," as Armstrong explained it, was to speed the process of destruction of the established Church leadership by providing the government with fabricated documents which could then be used to indict Church officials, thereby allowing the government to destabilize the Church from within and to gain control of the Church and its assets.

At one point, Armstrong finally got exasperated at "Joey's" lack of enthusiasm for the idea of printing fake issues.

GA: ... It seems to me that you don't have a way of printing anything to get an issue on the lines [that can be] used for anything, right? I'm saying I can do it! I can type those goddamn things and duplicate them and make them look exactly the same! You can't

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tion? "Well, Armstrong and I talked about this and he had a whole bunch of ideas about how to infiltrate the communication lines and spread turmoil and disaster." You know? What are we doing here? That's my question, before I tell you my ideas on documents.

J: Well, what I got is basically — Loyalists gotta — we gotta move — we've got the suit coming up and I guess we need other lines to get stuff going....

GA: OK. So far as the doc [documents] — let me just say — ah, you and I get together — we get together because I have a goal of global settlement. You have felt that the turmoil and the abuses and so on have gone on too long. Hence, we get together and discuss things. We have not discussed... that Scientology is bad, or anything like that. Are we agreed?...

Later, he made his position clear to "Mike":

GA: By the way, no one will ever get any names, any communications, any times, any dates or

anything out of me. That's just the way it is. I'll go to prison before I ever talk, okay? So you have to know that, because they're wanting to depose me every couple of months. I'm simply saying "No."... I'm telling you what I would tell them in deposition, but they don't get anything else....

M: OK, so that — that's fine — we have an agreement on that point.

GA: Right. And you guys also have to have your agreements worked out between yourselves, too. Like — I don't know who knows I'm involved, but I'll deny it!

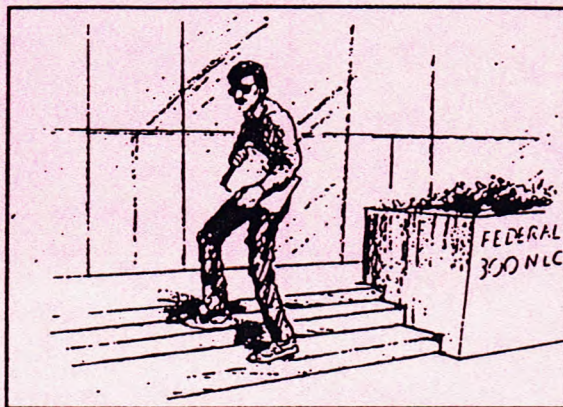
"Pool of Information"

Armstrong wanted to create an entire network of plants within the Church who would spread fabricated Church policy issues and also quietly recruit additional "Loyalists."

GA: An organization's comm [communication] lines are of various kinds, and I think you can use that fact — you know, realize what their comm lines are and plug into them.

He couldn't resist putting in a good word for his own skills in falsifying documents.

GA: You see, because I think that during a part of this, we can



"I've done this sh_t now for going on three years, and even longer before that when I was inside."

Truth in Taxation

by William A. Kilpatrick

William A. Kilpatrick is a 51-year-old Denver businessman who drew national attention last year after he lost the IRS and the Justice Department in federal court.

A native of Wichita Falls, Texas, Mr. Kilpatrick was raised and educated in Lubbock, Texas, and later served as an officer in the U.S. Army.

His work in private enterprises since 1960 has brought him a reputation as one of America's most successful entrepreneurs.

Mr. Kilpatrick's battle with the IRS and the Justice Department, featured in the April 1985 issue of *FREEDOM*, convinced him that fundamental reforms in our nation's tax structure must be made. His experiences with the IRS provided him with valuable insights into fundamental problems of our tax system, which he shares here with *FREEDOM*'s readers.

The following is an excerpt from Mr. Kilpatrick's forthcoming book, *Truth in Taxation*, copyright © 1985 by William A. Kilpatrick. It is reprinted with the author's permission.

Tax reform.

If there is a more consuming subject in the country today, it has not been discovered by Congress, the president, the public or the media. It should be, for there is no greater problem before us.

Virtually every candidate in the recent elections campaigned for reform. Each made strong commitments, and each is bound to perform unless we, the public, let him or her off the hook. However, we are already beginning to hear "If not this session, then the next."

That has been the pattern for 50 years — fervent promises followed by equivocation, or at best, more patchwork on the current system.

The reasons are legion. Foremost is that none of the promises offer an overall solution to the problem. On the contrary, each is simply one more patch on a decrepit system that was flawed from birth.

Additional patching is tantamount to putting Band-Aids on a stillborn child. But voters forgive the campaign promises because they have no solutions either.

The Lie

The problem with our tax system is that it is based on an absolute lie to begin with. The truth is that our entire system of taxation is based on an attempt to tax those things that are not taxable, to the exclusion of the one thing on earth that can be taxed: consumption itself.



William A. Kilpatrick

There is only one tax. Consumption tax. There is not now, there has never been, and there never will be any other. The simple reason is that no other transaction is an end purchase. All taxes of any other transaction become a cost of production, and are passed on to the next subsequent purchaser who adds his costs, including the taxes, to his customer. Only the ultimate consumer has no one to whom to pass it. He pays it as a part of his cost of purchase. Our refusal to face that fact is leading to ruin. Virtually every other nation on earth, certainly most of the free world's industrialized nations, have recognized that fact. Only we have not.

"The problem with our tax system is that it is based on an absolute lie to begin with. The truth is that our entire system of taxation is based on an attempt to tax those things that are not taxable, to the exclusion of the one thing on earth that can be taxed: consumption itself."

Perhaps it should not be surprising: we are one of the youngest, and we were founded in a revolution against that fact. Everybody beyond the sixth grade is aware of the Boston Tea Party and its origin. It was a first step in the revolution — a rebellion against an excessive consumption tax.

The problem lies in our not realizing that the rebellion was based on the economics of the tax. They did not necessarily rebel against being taxed for their consumption per se — it was the economics of the tax that caused the rebellion.

For 200 years we have refused to face the fact that only consumption can be taxed. With no small amount of aid from our elected officials, we have attempted to hide our taxation behind other names and claim them to be from other sources. We have succeeded. The consumption tax is now so well hidden that we actually believe we don't have one — other than negligible city, county, and state sales taxes.

The mere mention of a "sales" or "value added tax" drives liberal politicians into a frenzy, and we hear their dramatic cry, "That is a tax on the poor, and we'll never permit it!"

Our largest political force, the Democratic Party, is in fact founded on that very precept, and it's a lie. Whether the hierarchy of the party actually believes its party line — or is perpetrating the greatest fraud on the greatest number of people in history — is not relevant. The fact remains that it is a lie. The myth of the government's non-taxation of consumption is just that — a myth.

The truth is, all taxes are consumption taxes, and no amount of rhetoric will ever change that basic economic

they will remain poor.

The perpetuation of the myth has created the greatest negative balance of payments our economy has ever suffered. Its continuation assures the demise of our economy, and ultimately, our society.

Perpetuating the myth has created an insufferable deficit that no economy can endure. Finally, the perpetuation of that myth has spawned a bureaucracy that fosters the myth because it is dependent upon the myth.

There is only one solution to all these problems. There is only one tax reform that can ever address itself to a true solution.

It is not complex. It is not difficult to implement. It is in fact demanded by our laws in every other element of our society. It is the truth.

The Truth

To resolve our problems, we must first face the truth.

Why not? With a pious smugness, our Congress, our governors and our presidents have passed laws requiring it in every other transaction we have.

Truth in Lending — A standard form must be completed by the lender and signed by the borrower before the borrower can be obligated for repayment.

Truth in Insurance — Companies must print policies in the same language we speak.

Truth in Warranty — Expected levels of performance must be disclosed.

Truth in Quality and Safety — Extensive recalls of tires and autos have been required to correct faulty workmanship.

Why can we, the American people, not demand and receive *Truth in Taxation*?

As if by magic, it could confront and demolish every economic problem listed above. The magic lies in simplicity. The fact is that our problems are also lies — lies based on a lie that can be silenced by the truth. Truth in taxation will expose the lies and permit us to address the problems armed with valid data. So armed, we have resolved every problem with which we have ever been confronted. So armed, we will face the facts.

There are no such things as taxes on or for income, social security, real estate, imports, excises, inventory, profits, luxuries, alcohol, tobacco, firearms or gasoline. Those just hide consumption tax.

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TRUTH

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There are no taxes other than consumption taxes, because consumption is the point where all the other hidden taxes must be collected. Each must be added onto the price of items we consume. If not, the provider of those items goes broke. It is that simple.

No amount of rhetoric can disprove that incontrovertible fact.

Inventory does not and cannot pay taxes. It has no money. The most zealous tax collector in the world can scream, yell and beat on the best refrigerator known, but no tax money will flow as a result. Until the appliance dealer sells it to a consumer and adds the tax to the other costs and profit, there is no money to pay taxes.

A luxury tax cannot exist until the luxury item is sold, with tax added to the consumer's cost. Sniff a million bottles of perfume and you won't smell a single penny of tax money inside them.

There is no income tax, because wages cannot be paid unless the product of the service that earns the income is sold to a consumer.

The consumer must pay the producer's pro rata cost of wages, the tax on those wages (income and social security), raw materials, and taxes on real estate, imports, luxury items and inventory. The seller adds the profit that the marketplace permits, plus his own income tax. Failing to add and collect any of these costs leads to bankruptcy.

Failing to acknowledge these taxes on the sales receipt in no manner affects the reality of who must pay the tax: it is the consumer. It always has been and always will be.

Nearly every problem faced by our economy can be traced to our refusal to face that fact. Hiding taxes behind other names and supposed collection points in no way eliminates the real-

ity of the real payer — it simply aggravates our problem. Furthermore, it intensifies the problem and obstructs any possible solutions.

It may be that the most insidious problem created by hiding the consumption tax is the fact that it permits astounding bureaucratic wastes to escape unpunished. Since everyone believes taxes come from someone else (since they are so hidden no one is aware of their part), unchecked outrages like military hammers for \$435 seem intangible to individual citizens.

On the contrary, if every citizen realized that 60 cents of every dollar he spends is siphoned off for taxes, a new frugality would overtake our national consciousness.

While egregious examples of waste get occasional and brief attention, they obscure a larger danger: the non-consumption tax myth is afflicting and destroying every element of the economy on which we depend.

Many of our industries are dying. Others, with outstanding technical and managerial prowess, still stagger under the hidden 60 per cent tax burden, but even these are ultimately doomed.

Eliminate that burden and no nation would be able to compete with us. We would once again become the dominant "Yankee Traders" we once were. Our balance of payments would show a positive balance instead of its current, multi-billion-dollar tally on the other side of the sheet.

Some of our industries, which are now the butt of the world's jokes, would return to the unmatched profitability they once enjoyed. That profitability could be the source of increased wages, benefits and national wealth.

More of the poor could find jobs as their services were demanded by reactivated industries. Forty per cent of the cost of government could be saved with the elimination, or at least appreciable reduction, in welfare.

Our nation was founded, and our

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"It may be that the most insidious problem created by hiding the consumption tax is the fact that it permits astounding bureaucratic wastes to escape unpunished."

AMORY

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a cat and put them in a dog. What possible good could that do?"

The researcher told me I didn't know anything about it, that that experiment might prevent blindness in children. As he was about to continue, I interrupted him to let him know that I had made up that example, just to prove he would defend anything. The program ended on that note.

FREEDOM: Why are the useless experiments being done?

MR. AMORY: Researchers are not sadists, although in my book I say it amounts to animal torture. I believe the lure of money for far-out experiments is too enticing. And the public pays for these experiments. There is no question about it.

"Psychology and psychiatric researchers are awarded grant

if a person has done all that, he can make a citizen's arrest by going to a police officer. Police officers really have to pay attention because animal abuse is against the law.

I would advise people to realize every state has laws that you can't abuse, over-load, under-feed, or under-water an animal. But as I told you, these laws are circumvented where the laboratories are concerned. . . . In many areas, about the only thing you can stop is somebody beating a dog to death.

As the animal movement grows more powerful, I think we will be able to do something about the abuses. I've seen great advances in the time I've been in it.

I started The Fund for Animals in 1967 with \$3,000 in the bank and 11 members. Now we have over 260,000 members and we have one of the most powerful animal societies in the world — one capable of winning a victory over the U.S. Navy in the matter of the goats in California!"

"Some psychologist is bashing kittens with pneumatic hammers. . . ."

money just exactly like the cancer or heart researchers. The National Institutes of Health spends five or six billion dollars a year on research — and a lot of that goes toward experiments on animals.

There are not many rules governing research labs, but when what few there are are broken, the public should know. I feel that what we have to do is point out when labs are run badly. For example, the City of Hope, a medical and psychological research lab, was found to be overrun with horrible, terrible filth.

FREEDOM: What are some of the more flagrant animal abuses going on right now?

MR. AMORY: The stupidest little one I've heard of recently is in Yellowstone Park. When the buffalo stray out of the park, men from the Game and Fish Department of Wyoming shoot the buffalo.

It seems it is too much trouble and expense to track the buffalo back to the park. I think that is typical, in a way, of what goes on in the laboratory field.

FREEDOM: If a person sees animal brutality, what can he do?

MR. AMORY: The first thing he should do is take information down carefully — and if possible photograph it. Tell exactly when and where it was taking place and what was happening.

FREEDOM: Is there anything else you would like our readers to know?

MR. AMORY: There are a lot of animal abuses, but I don't think it's hopeless. I don't think people ever should feel it's hopeless.

I think we should stick together on it so that we can speak with more of a united front. I think that is happening a lot recently in the matter of different societies getting together. Recently in Phoenix, Arizona, there was a summit meeting of ourselves, the Animal Protection Institute, People for Ethical Treatment of Animals, and the International Fund for Animal Welfare — just to name the four biggest — and many other societies.

We are looking toward the day when we have a million-member society. When we get so we speak with a million members, the politicians will say about laboratory experiments, for example, "Hey, wait a minute! The public doesn't really want this. This is not a small group! These guys can vote us out of office." That is a hopeful note to end on.

FREEDOM: Thank you, Mr. Amory.

▲

* The Navy had been shelling San Clemente Island, trying to rid it of the goats. The Fund for Animals rescued 870 goats this winter, all of which are in the process of being adopted in the state of California.

CIA Covert Actions Abroad

A Review of Reagan's Secret Wars

by John Chambers

America's international relations, particularly with Third World countries, have been in varying degrees of turmoil since the Vietnam War ended in 1975.

In *Reagan's Secret Wars*, Jay Peterzell, a research associate at the Center for National Security Studies, sheds needed light on U.S. covert actions in Afghanistan, Cambodia, Chad, Iran, Libya and Nicaragua.

The book traces the history of American involvement in these six Third World nations from the mid-1970s to the present.

"The Reagan administration has made far-reaching changes in U.S. covert action policy, increasing the use of such operations and severely limiting the role in reviewing them of officials outside the intelligence community," Mr. Peterzell states in the first chapter.

"The changes," he continues, "reflect an apparent consensus

within the administration that covert action should be a routine rather than an exceptional instrument in American foreign relations."

Mr. Peterzell's book blends interviews with government figures, official statements, off-the-record remarks, buried government documents and a finely combed selection of foreign and domestic press into an easily read presentation of the facts behind America's aimless and often counterproductive foreign policy in the Third World.

The secret wars, as Mr. Peterzell points out, were not created by President Reagan: Reagan's wars are actually intensified versions of conflicts begun by earlier administrations. Mr. Peterzell's contention, however, is that the Reagan administration has expended enormous amounts of fuel to feed the fire rather than quench the flames.

CIA intervention in Chad, for example, backfired. What began as a CIA paramilitary attempt to "bloody Libya's nose," in Mr. Peterzell's

words, ended with Libyan troops controlling half of this central African nation. Chad is analyzed as an example of what Mr. Peterzell terms a "predictably counterproductive" covert intelligence effort.

The ambivalence and lack of consistency which characterize current American foreign policy also describe actions in the area of covert intelligence operations. The United States will support a faction in Chad or Nicaragua or Cambodia, only to subsequently withdraw aid at a key moment. Programs to aid the Afghan rebels are initiated, then the rebels are left adrift in the turbulent sea of global relations.

Mr. Peterzell argues that "a fascination with covert action" has produced the aimless and counterproductive projects which ensure the instability of entire populations and which threaten to lead the United States into protracted war.

In 1975, the Church Committee, chaired by the late Senator Frank Church, conducted a detailed investi-

gation of U.S. covert operations. Based on its investigation, the committee stated that such operations were not compatible with "the open and democratic assumptions on which our government is based." The committee, Mr. Peterzell points out, considered recommending a total ban on all such operations.

The final recommendation of the committee, however, was that this capability should be maintained, to be used only in "extraordinary circumstances" — in cases of severe threats to national security, when overt means would not be sufficient.

As the reader will see from Mr. Peterzell's book, American covert actions have been alarmingly expanded — with questionable returns on the investment — and the Church Committee's recommendation has been increasingly ignored.

Reagan's Secret Wars (1984) is available in paperback for \$3.95 from the Center for National Security Studies, 122 Maryland Avenue NE, Washington, D.C. 20002.

TRUTH

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Constitution created, with the provision that there was not then, nor could there ever be, a tax on exports.

The founding fathers saw that imposing the cost of our government on exports would destroy the marketability of our products. Yet we have slowly but surely done exactly that.

The American people have been fed a never-ending line of excuses — in truth, lies about why we are not competitive:

"Unions have forced pay rates too high." Garbage. They are the most productive workers in the world.

"Our industry has not retooled and is inefficient." Garbage. Leading industries commonly invest 20 per cent of earnings in retooling. They have done so historically and continue to do so today.

"Our management is not sufficiently imaginative or innovative." Garbage. They are copied by every nation on earth. Our plants that are located where they can escape the 60 per cent hidden tax albatross wipe out the competition.

"We are no longer graduating enough engineers and creative thinkers." Garbage. Who else has walked on the moon? Who else is

more afflicted with foreign industrial spies?

"Our agriculture is non-competitive." Wheat in other nations gets government subsidies of up to \$10 to \$26 a bushel. Our farmers would be deliriously happy to receive \$4. Beef subsidies elsewhere run from \$3 to \$30 a pound on the hoof. Give our ranchers one dollar and just watch the cows grow!

"The American people have been fed a never-ending line of excuses — in truth, lies about why we are not competitive. . . . Not one of those excuses can stand up to informed scrutiny."

"Our energy supplies — oil in particular — are exhausted, and our oil industry is not competitive." Garbage. Who in blazes is running every other nation's oil fields?

Not one of those excuses can stand up to informed scrutiny. No other advanced industrialized nation taxes industries so much. That is the only problem.

Our exports are doubly and sometimes triply taxed, with the hidden 60 per cent here, sales tax there, and import taxes over there. Foreign pro-

ducts sold here may be subjected to a minimal import tax, but never anything close to 60 per cent. That is the reason some of our industries cannot even compete domestically.

A corollary lie, propagated to buttress the original lie, is that foreign governments subsidize their industries so that their exports arrive on our shores with an unrealistically low price tag. Wrong.

In most instances, there is no subsidy. The other governments simply do not impose illegal and unconstitutional hidden taxes on their industries.

At least for a while, our society remains economically superior to Europe's.

But it's not because of any advantage in our revenue system.

It's just that the total fraud of taxing the untaxable has not been imposed on us for as long a period. The total consequences of the lying

fraud have not yet come to bear.

When searching for an excuse historically and currently, the most maligned segment of our society is labor. It is accused of being vastly overpaid, compared with foreign laborers. To the contrary, it is underpaid but overtaxed.

A \$10-an-hour worker in the U.S. in reality only nets \$7.90 after income taxes. Of the balance, 60 per cent is paid in hidden taxes on food, clothing and shelter. He or she only nets \$3.16 to pay for actual consumption.

A foreign worker paying a 25 per cent value added tax would only require \$4.21 an hour to achieve the same standard of living. In reality, a European worker receives between \$5 and \$6, or 60 to 90 per cent above his more productive U.S. counterpart earning \$10 an hour.

Hasty computation quickly exposes our 60 per cent hidden tax. The gross price of all raw materials reflects labor and profit, plus the taxes on labor and profit.

Regardless of how well the taxes are hidden, their costs must be added to the price paid at the counter. Any representation to the contrary presumes that the money to pay the taxes is magically appearing from thin air.

Once that basic economic fact is recognized, we will be well on our way to the solution of our economic woes.

Next month: Part II. A

L E T T E R S

Dear Editor,

Thank you for the single most informative newspaper available today. I was just recently exposed to a copy, and immediately became a lifelong fan. I am very enthused about the quality of information printed within its pages.

In the February issue, among several excellent articles was the exposé by Kay Olsen concerning Interpol and privacy. Kay's article was up to the high standards set by FREEDOM, and I found it to be fascinating.

Sincerely,

Wayne Beniston
Payson, Arizona

Dear Editor,

Keep up the good work. We must legislate a fair tax system. Income tax must not be used to govern the people, nor to punish unpopular causes.

Sincerely,

C. Martin
Austin, Texas

Dear Editor,

Paul J. DesFosses' IRS experiences and feelings and ideas are not only similar to mine — they are almost identical. (They haven't burned my house down yet, though.)

I certainly join him in the full participation and activity of the National Coalition of IRS Whistleblowers. His plans and purpose are identical to mine. One person cannot do it.

As DesFosses says, the best procedure that the Coalition can use is to expose things to the citizenry.

Let the citizenry know, as Mr. William Kilpatrick said, that the IRS breaks the laws they help to write.

Sincerely,

Former IRS Agent
(Name and Address Withheld by Request)

Dear Editor,

Thank you so much for your fine newspaper. I enjoy reading it and look forward to each new issue.

I would like to make a correction concerning an article which you published on Interpol in the January 1985 issue. I quote page four: "Nicaragua: a dictatorship known for the brutal treatment of its citizens by the police."

The Nicaragua of which you speak was one governed by the Somoza dictatorship and no longer exists. The present Sandinista government is a democracy whose citizens are treated with fairness and justice by the police.

Nicaragua is presently under siege by Somoza National Guardmen in CIA-supported camps in Honduras and Costa Rica.

Please note these corrections to "dictatorship" and "brutal treatment by the police" in your next issue.

Peter Dunchley
Woodhaven, New York

Dear Editor,

I would like to indulge in some friendly and constructive criticism of your article on "U.S. Condoned Terrorism by Interpol Membership."

The background history of Interpol, with its brilliant exposé of its Nazi-related origins, and its coverage of war criminals,

is truly informative. Unfortunately, the initial logic of criticism is confused by the subsequent charge that the inclusion in Interpol membership of countries now targeted by Secretary of State Schultz makes the U.S. itself a party to the very "terrorism" which Schultz and Reagan denounce.

If we could accept the Reagan-Schultz "war on terrorism" at face value, your pointing up the contradiction of their position in participating in Interpol is logically valid. The fact is, however, that the Reagan-Schultz "war on terrorism" is a phony, does not relate to terrorism by any reasonable definition, and constitutes a rehearsal of the tired Cold War policies of the McCarthy era, with different rhetoric.

The U.S. government may well be the largest purveyor of state-sponsored terrorism in the world today.

Most of the terrorist enterprises of the CIA are locked up in secrecy, but the unraveling of the secret of the U.S.-bought, paid-for and directed mercenary operation in the no-longer-covert war in Nicaragua is probably a fair sampling of the official terrorism which goes on.

FREEDOM has distinguished itself in the past with its exposés of the CIA. Why undercut your informative, educational work by giving credence to the CIA today, which under William Casey and the Reagan administration is probably more lawless and mendacious than ever?

I have not read a single authenticated charge of torture by the present Nicaraguan regime, although this was common enough under the U.S.-supported Somoza dictatorship which the Nicaraguan people overthrew at heavy cost. I have talked to many people who have recently visited Nicaragua. The only cases of torture they report are those committed by the *contra* (counter-revolutionaries), whose strongest components are the CIA-paid former National Guardmen of Somoza.

Richard Criley
Carmel, California

PLOT

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— you wouldn't be able to tell the difference. You know, maybe under a microscope you can tell the type of faces, you know — this one's got a little crack on the "T" and this one doesn't... but that happens to be — that only happens to be one little piece of it. You put out another issue the next day for a totally different purpose!

COINTELPRO

As bizarre as the Flynn/government conspiracy against the Church of Scientology may seem, such intelligence plots have, unfortunately, been routine within U.S. government agencies for years.

In the mid-1970s, both the FBI and the IRS were wracked with scandal when the now-infamous Counterintelligence Program was exposed.

The program, better known by its acronym, COINTELPRO, was exposed following a lengthy congressional investigation.

The destruction of specifically targeted organizations was laid out in several simple steps. An FBI memo dated April 4, 1968, listed a number of actions which could be used to disrupt and, ultimately, to destroy an unwanted group via COINTELPRO:

- Leaks to friendly news media;
- Obtaining the mailing lists and bulk mailing permit numbers of the subversive organizations and counterfeiting literature damaging to the organization; and
- Fictitious letters to news media exposing the group's plans.

The memo noted that "Counterintelligence should also be directed

against the individuals personally in an attempt to disrupt their personal and official activities and plans." Several suggestions as to how this could be done were laid out:

- Intimate knowledge of the individual's daily activities is vital to implement an effective counterintelligence campaign;
- Physical surveillance of the subject's motel room for immoral conduct. When such is detected, anonymous phone calls could be made to the local police department and newspapers;
- Anonymous calls to the subject's wife alleging infidelity with his traveling companions and/or female co-workers;
- Selected personal appearances could be disrupted by anonymous bomb threats;
- When sufficient data is collected regarding subject's income, conferences should be had with the IRS; and
- The regulatory powers of local and state agencies should be utilized to police the minor transgressions of the subjects, such as building codes, permits, traffic violations, etc.

COINTELPRO had been one of the government's best-kept secrets until its widespread exposure in the mid-1970s. The agencies were subjected to months of highly embarrassing and ruthlessly meticulous congressional investigations in both the House and the Senate, probing every aspect of their unconstitutional and illegal COINTELPRO actions against American citizens.

As a result, the FBI announced with broad publicity that COINTELPRO was cancelled. This was an accurate statement, but it was not necessarily true.

The program called COINTELPRO was officially cancelled; the door was left open, however, for the activities which had been conducted under this heading to continue. In the memo cancelling the program, then FBI Director J. Edgar Hoover stated:

"In exceptional instances where it is considered counterintelligence action is warranted, recommendations should be submitted to the Bureau under the individual case caption to which it pertains. These recommendations will be considered on an individual basis..."

Someone in a position to approve a counterintelligence proposal for the targeting of a thriving, influential church apparently felt that the destruction of the Church of Scientology — and the money and assets that could be seized if it were to be wiped out — fit into the category of "exceptional instances."

The videotapes of their bumbling agent, however, may well lead to further embarrassment for the government, as evidence continues to emerge that COINTELPRO is still alive and well in the United States. A

Tony Auth



"H O R. BLACK? WE COULD USE A LITTLE HELP..."

A CRITICAL LOOK

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Should people also be free to be a danger to others? This problem disappears once we recognize that criminals cannot be divided into two categories — that is, persons who break the law because they choose to and persons who break it because their "mental illness" compels them to do so. All criminal behavior should be controlled by means of the criminal law, from the administration of which psychiatrists ought to be excluded.

The view that the "mentally ill" person is a patient helplessly in the grip of an "illness" that "causes" him to display abnormal behavior is false. Although many so-called mentally ill persons do not deliberately ("consciously") choose their "symptoms" and suffering, their behavior is, nonetheless, *chosen*. Such persons do not lack the capacity to make moral decisions; on the contrary, they exaggerate the moral dimensions of ordinary acts, displaying a caricature of decision-making behavior. "The last thing that can be said of a lunatic," wrote Gilbert K. Chesterton, "is that his actions are causeless. If any human acts may loosely be called causeless, they are the minor acts of a healthy man; whistling as he walks; slashing the grass with a stick; kicking his heels or rubbing his hand. . . . The madman is not the man who has lost his reason. The madman is the man who has lost everything except his reason."

But such an explanation is both too simple and too painful for modern man. Just as medieval man believed in religion and was offended by rational explanations demystifying theological theories and promises, modern man believes in science and is offended by common sense explanations demystifying medical theories and promises. Unable or unwilling to bear the inexorable tragedies of the human condition, people now seek solace in the utopian claims of "scientific" psychiatry concerning the causes and cures of everything "bad" that the human heart is heir to. A

Thomas S. Szasz is professor of psychiatry at the State University of New York in Syracuse and the author of 18 books on psychiatry, including *The Myth of Mental Illness*, *The Manufacture of Madness*, and *Law, Liberty, and Psychiatry*.

This article is reprinted from *The Therapeutic State* (Prometheus Books, 1984) by permission of the author. First published as "Ein kritischer Blick auf die Psychiatrie," *Neue Zürcher Zeitung*, February 18, 1980.

* Gilbert K. Chesterton — 1874 - 1936, English essayist, novelist and critic.

FREEDOM GUEST EDITORIAL

COINTELPRO
Alive and Well in America

by L. Fletcher Prouty

COINTELPRO is an acronym for Counter-INTElligence PROgram.

COINTELPRO was a secret program implemented by J. Edgar Hoover's FBI that continued under this official name for approximately 15 years. When it was ostensibly discontinued at congressional insistence in the 1970s, it had a sordid 15-year record of shattered lives, disrupted or destroyed organizations, and outrageous violations of constitutional rights.

The CIA had a similar program called CHAOS. CHAOS, like COINTELPRO, came under heavy congressional attack, and in 1974, it too was outlawed.

These programs were earmarked by such activities as the following:

- Anonymous death threats made to leaders or members of a targeted group;
- False rumors circulated in order to promote strife between groups or between factions of groups;
- Breaking into homes and offices to steal documents, plant evidence, or install bugging devices;
- Use of agents provocateurs to induce members of targeted groups to commit illegal acts; and
- Widespread dissemination of false and derogatory information about targeted groups and individuals.

"Dirty tricks" were the order of the day, with some of the deeds so dirty that actual deaths resulted.

One target of both COINTELPRO and CHAOS operations was the Rev. Dr. Martin Luther King Jr. The actions leveled at Dr. King included attempts to defame him by "leaking" stories of alleged sexual improprieties to his wife and to news media, attempts to prevent him from getting the Nobel Peace Prize, and even an attempt to induce him to commit suicide.

With the outlawing of COINTELPRO and CHAOS by Congress, I thought that such actions had been terminated.

I have recently, however, seen evidence that these programs are still alive and proliferating. Now, in fact, they are even more bizarre and insidious.

The videotapes of government informant Gerry Armstrong show an informant who has been well indoctrinated in the techniques of psychological warfare in modern dress.

Following the classic *modus operandi* of infiltration, penetration, disruption, and then control, Armstrong has demonstrated how well he has been coached for his role by his government mentors.

The government agencies involved trained their informant well in the ways of undercover organizational takeover. They planned to create a dissident sector from within to penetrate and take over the Church of Scientology. This tactic is straight out of the Nazi subversion textbook.

The government agents know and practice their "black" arts well, and that they are ready to use them against all targets — including churches.

It is obvious to me, from closely observing these videotapes, that these agencies have trained this informant and his accomplices and supported them in these acts.

This is an ominous reminder of those dread days of the now-outlawed CHAOS and COINTELPRO programs of the CIA and FBI.

"The videotapes of government informant Gerry Armstrong show an informant who has been well indoctrinated in the techniques of psychological warfare in modern dress."

Infiltrate and Overthrow

The master of such tactics was Nazi Germany's propaganda minister, Joseph Goebbels. Goebbels plotted to infiltrate and overthrow the governments of Europe with the use of trained agents provocateurs.

Government agents working with Armstrong, as described by Armstrong in his own words on the videotapes, are exploiting the same methods used by the early Nazi organizers to create the Third Reich. The tactics are the same.

The videotapes demonstrate that



L. Fletcher Prouty

We see, with this trained informant, the addition of the IRS's Criminal Investigation Division, Canada's Ontario Provincial Police, even a Department of Justice attorney, and their willing tool, a lawyer from Boston, to the old and forbidden list of hardcore government departments and agencies that were in operation in the 1950s, 1960s and 1970s in a present-day alliance for the re-enactment of the same type of unlawful activity.

The evidence shows that a dangerous and blatant threat against elements of our society can be mounted by these agencies of our own government. This inevitably leads to violations of our basic rights and freedoms. The American people can no longer sit back idly and ignore the danger posed by such unlawful and prohibited acts by their own government bodies. A

L. Fletcher Prouty, a retired U.S. Air Force colonel, served with the Office of the Secretary of Defense and was assigned to duties that brought him into daily contact with the CIA and other government agencies and departments during his nine years in the Pentagon.

Mr. Prouty, author of *The Secret Team*, a controversial book about the CIA, is a leading authority on U.S. intelligence activities.

IRS Problems Mount

Despite IRS Commissioner Roscoe Egger's claims that the IRS needs more personnel to handle the many and growing problems within the tax agency, inside information from former IRS agents, as well as hard, cold statistics, indicate that voluntary compliance by taxpayers has steadily decreased even while the numbers of IRS personnel have increased.

As a former agent from the Los Angeles IRS office told FREEDOM, "It is definitely true that the compliance rate has been going down in the Los Angeles area, while the rate of employment within the IRS has been going up. Los Angeles IRS District Director William Connitt even admits to this."

While the rate of taxpayer non-compliance in Los Angeles was only five per cent in the late 1970s, by 1983 it had risen to eight per cent. The percentage has continued to increase steadily since then, and the 18 per cent increase in the number of employees in Connitt's district in the last 18 months has not arrested the declining compliance rate in the least.

"The IRS thinks it needs more and more people, because the need to police the taxpayers is growing more and more serious," the former Los Angeles IRS agent commented. "But obviously policing the taxpayers is the wrong answer. The Collections Division of the Los Angeles district," he added, "is the largest in the country, yet their rate of collections is dropping."

The actual reason for the increasing rate of taxpayer noncompliance, however, according to a number of former agents interviewed by FREEDOM, is the unfairness of the tax system.

"There's just no trust there any more," the former Los Angeles agent explained. "People don't admire this country's tax system the way they used to, and they just aren't as willing to cooperate with an agency for which they have no respect."

Computer Problems

One former Los Angeles IRS agent who is now a certified public accountant pointed out to FREEDOM that although the Los Angeles district's computer problems have not been publicized the way computer problems have been publicized in Philadelphia and Austin, the same problems exist in Los Angeles.

He has a client, for example, who has been making payments of \$1,000 a month for several months. All of the payments have been sent by registered mail, he told FREEDOM, and he has the signed receipts from the IRS. He also has the cancelled checks indicating that the payments have been deposited by the IRS.

"Yet the IRS keeps insisting that my client hasn't paid," the CPA said. "They swear they've never received the checks!"

Egger's Admission

Commissioner Egger admitted in his 1984 strategic plan that the compliance rate is falling:

"External environmental indicators and internal compliance measures reflect a continuing decline in the extent to which taxpayers are willing or able to voluntarily comply with the federal tax laws."

Commissioner Egger's plan fails, however, to address the fact that his successful pleas to Congress for budget increases to pay the IRS's ever-burgeoning bureaucratic ranks have done nothing to revert the alarming trend toward a general unwillingness on the part of the taxpayer to cooperate with this country's tax agency.

One of the issues, according to Egger's plan, which the IRS must address is "What steps can the IRS take to stem or reverse this decline in voluntary compliance?"

The IRS has apparently not been listening to the American people. To the people, the answer is very simple.

As one former IRS agent said, "The IRS better start listening to what the American people are saying, and Congress better start realizing that their constituents want that agency reformed."

"The people of this country will not bow to the IRS's heavy-handed Gestapo tactics, and the more that IRS agents use threats and intimidation to force compliance, the less they're going to get. People in this country won't stand for that kind of treatment — they wouldn't stand for it from the King of England, and they aren't going to stand for it from the IRS. A fair system of taxation is what they want, and nothing else is going to solve the IRS's problems with voluntary compliance." A

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To IRS Current and Former Employees and American Citizens Who Know of Illegal Actions on the Part of the IRS

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serves the people of this country.

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709 SW Salmon, Portland, OR 97205
228-0116

"My friends, tell the American people that freedom is their manifest achievement and its maintenance their manifest destiny. Do not let them fail us in this crisis. This is our witness and our challenge."

Father Noel Ryan, S.J.
Catholic Priest, Dean of the Jesuit
Theologian College in Australia

This is just one of the many statements of support that have poured in to the Church of Scientology® when word of the travesty of justice perpetrated in Portland, Oregon, on May 17, 1985, sent shock waves around the world.

When a United States court can hand down a decision that a particular religion—in this case Scientology—is not protected by the guarantee of religious freedom as stated in the First Amendment of the U.S. Constitution, it is clearly time for men of all faiths to recognize the inherent threat to the freedom of religion that this poses for all churches in every nation of this planet.

A common message in many of the letters that have flooded in from religious scholars and leaders all over the world is outrage and amazement that this case was ever allowed to come to trial in the first place, particularly in this country, where the First Amendment specifically forbids intrusion into religious matters by the government (including the courts)—where the separation of church and state is inviolate.

Declaration of Religious Freedoms

Representatives from churches and religious groups around the world have taken notice and have expressed their concern over the grave injustice that has occurred. After an emergency meeting held by these religious leaders, who met in Portland this week, a Declaration of Religious Freedoms was issued.

Those who signed this declaration have reaffirmed their commitment to uphold and fight for the preservation of the freedom of religion for all. The declaration states in part

"And we hereby confirm language in the Bill of Rights which states

'Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech or of the press; or the right of the people peaceably to assemble and to petition the government

for a redress of grievances.'"

First Amendment
to the U.S. Constitution

On May 24, a motion for mistrial was filed in the Portland court. As stated in this motion,

"... this verdict left standing is, by example, a clear and present danger to religious freedom throughout the country. . . [the] verdict resulted from the jury's being allowed to judge for itself whether defendants' beliefs and practices as embodied in the courses and services which plaintiff received, have a religious basis."

Christofferson Case

While the world watches to see what will happen next in the Portland, Oregon, lawsuit brought against the Church of Scientology by Julie Christofferson, little has been said of the case except that the \$39 million awarded to this woman by the Portland jury is so outrageously excessive that something must be wrong. Someone must be trying to destroy this church, many have said.

To understand the broader threat which this case and the recent \$39 million decision by the jury poses for the fundamental right of all people to freedom of religion, one must know some of the history of the case and the participants in the current dramatic situation.

Nearly ten years ago, Julie Christofferson Titchbourne walked into the Church of Scientology in Portland, Oregon, intent upon taking the Communications Course and, in her own words, embarking on the road to Clear. She was not solicited to join the church, but rather became interested in Scientology because her boyfriend had given her a copy of L. Ron Hubbard's *Dianetics: The Modern Science of Mental Health*, and she said she found the book "extremely interesting."

As part of the process of becoming a member of the church, Christofferson read and signed a number of documents required of all new members of the Church of Scientology. These forms are signed so that the church can ensure the new member is acting on his or her own free will in becoming a member, and that no one is forcing him or her to do so.

She specifically attested to the fact that she was "willing to subscribe to the Creed of the Church of Scientology, and to the mission and purpose of the Church of Scientology, which is to assist the individual to become more aware of himself as an immortal being and to help him achieve the basic

truths with regard to himself, his relationship to others and all life, his relationship to the physical universe and the Supreme Being, and to create, here on earth, a civilization of which all can be proud."

Because Christofferson was one month shy of her eighteenth birthday, she needed to obtain parental consent to join the church. She told her mother, a Lutheran by faith, that she needed her permission to join this new religion, and her mother gave her written consent for Christofferson to become a member of the church.

Her mother signed an attestation stating, "I... attest that I give my full consent for my child Julie Christofferson to receive services from the Church of Scientology Mission of Davis, such service consisting of training and processing, the purpose of which is to enable individuals to become more aware of themselves as spiritual beings. I further understand that Scientology is a spiritual guide only and is not intended nor effective for the diagnosis or treatment of human ailments or disease of the body or mind whatsoever."

Christofferson read several books, completed a course in the technology of communication, and began a new course designed to improve her ability to study.

According to Christofferson's own written statements, in the form of "success stories" which she originated during the time she was a member of the church, she made many, many spiritual gains, and her outlook on life—a life completely free from drugs, dishonesty and crime as a result of the influence of Scientology—became very bright and hopeful.

After receiving Scientology counseling for example, Christofferson said, "[It] gave me the ability to increase my power over my life. One thing I became aware of is even at times when I didn't feel great I never have felt bad. Now I know what barriers to freedom there are and how they can be overcome."

Depersonalization

Christofferson's mother, however was not happy about her daughter's new-found certainty in herself. Obviously upset that her daughter was becoming more able to handle her own life, Christofferson's mother decided to bring her daughter's progress in Scientology to a violent and permanent end.

Christofferson's mother contacted an organization run by convicted felon Ted Patrick, now infamous for creating the vicious, illegal brainwashing technique known as "deprogramming" or

depersonalization, in which an individual is kidnapped and forced to renounce his or her beliefs—whether Catholic, Buddhist, Scientologist or Greek Orthodox—by means of imprisonment, starvation, screaming and other forms of physical and emotional torture.

Members of Patrick's organization captured and imprisoned Julie Christofferson. Kept under guard for three days, she was continuously subjected to a steady stream of attack against the Church of Scientology.

Under the influence of psychiatric depersonalization techniques, she agreed to renounce the things she believed in, and she agreed to begin an attack against her new religion—the very faith that had given her a new life and new hope. After her deprogramming, Julie filed suit against the church.

Religion on Trial

Hearing of Christofferson's suit, Portland lawyer Gary McMurray, an avowed enemy of new, growing religions, seized the opportunity to cash in on Christofferson's recent membership in the Church of Scientology. Supported by his associates in the growing antireligious movement in Oregon, McMurray set about to destroy freedom of religion in his home state.

McMurray convinced Christofferson to hire him to represent her in a lawsuit against the church, and in 1979 a jury awarded McMurray and his client a \$2 million judgment against the Church of Scientology. The church appealed the decision, however, and the appeals court overturned the decision against the church.

The appeals court decision clearly stated that "Statements made by religious bodies must be viewed in the light of the doctrines of that religion. Courts may not sift through the teachings of a religion and pick out individual statements for scrutiny, deciding whether each standing alone is religious."

The appeals court returned the case for a retrial, directing the lower court to determine one very narrow issue: were the church's representations concerning the services offered to her for a wholly secular purpose? In other words, was Julie promised spiritual gains, or was she promised a business return for her money?

This was the only issue that was to be addressed, the appeals court ordered.

The retrial, however, went far beyond the narrow issue of whether the church's claims were "wholly secular" and, rather than being a trial to

determine the validity of Christofferson's complaint, the Portland courtroom became the stage for a trial of Scientology itself.

Six witnesses were provided by anti-Scientology lawyer Michael Flynn, who in 1979 formed a corporation specifically for the purpose of destroying the Church of Scientology by means of massive litigation, the end result of which would be the appropriation of the assets and property of the church.

None of Flynn's six witnesses had ever even met Julie Christofferson Titchbourne prior to their being brought in on her case by her lawyer, McMurray. Their testimony had nothing to do with Julie Christofferson. They testified on the religion of Scientology itself—an action which was absolutely forbidden by the appeals court in this case.

Perjured Witnesses

During the course of the trial, two of the witnesses admitted to having committed perjury under oath. In fact, one of the witnesses admitted, during his testimony in the Christofferson trial, that he had committed perjury in another case, and Judge Londer released this information so that it could be sent to the judge who had presided over the case in which the perjury occurred.

Another one of Christofferson's key witnesses, Gerry Armstrong, a government informant, was indisputably shown to have engaged in an operation to infiltrate the Church of Scientology. Armstrong's plot, based on evidence submitted in court, appears to have been conceived with the advice and consent of Flynn and members of the IRS Intelligence Branch. It indicated the planting of forged documents in the church which could then be "discovered" by government agents in planned raids on church premises. The forged documents would incriminate the church in nonexistent illegal activities and would serve as a basis for the indictment of current church management.

Heresy Trial

The Portland court was turned into a heresy trial by McMurray and his associates, backed by the government conspirators who were exposed in the Armstrong videotapes as being involved in the plot to destroy the church.

At one point in the case, Judge Londer made the importance of keeping the trial within the narrow bounds set by the appeals courts very clear when he

said, "We are going to try to get the parameters of this thing so it doesn't get completely out of hand when we try the case."

The trial did get completely out of hand, however, in spite of this. In fact, the judge pointed out that the trial was going beyond the bounds of the appeals court's direction: "One thing is becoming obvious to me," he said. "There are more things coming into this trial than the Court of Appeals had."

Julie Christofferson's name was never even mentioned for weeks during the course of the trial, and the judge was acutely aware of this. When church attorney Earle Colley complained to the judge that the witnesses against the church had not mentioned Christofferson in three weeks, Judge Londer corrected him: it had been five weeks, the judge said.

Judge Londer told the attorneys in chambers, "We are so far past the gravamen of Julie Christofferson you can't possibly believe it. We are so far past that. You know, we are dealing with all sorts of issues—you know, they are very prejudicial to the church."

Although the judge made a firm statement in his briefing to the jury that Scientology was a religion, McMurray told the jury that Scientology was not a religion, and convinced the jury to make a decision about the church which should never have been allowed to occur and which completely violated the most fundamental and important law in this country—the Constitution and the Bill of Rights.

After the trial was over, McMurray made the mistake of letting Christofferson go on the radio without having him there to tell her what to say. In answer to a question about how she felt about Scientology, Julie said,

"I was—I was a good Scientologist. I was following the policies of L. Ron Hubbard until the time I was deprogrammed."

One of the jurors who made the outrageous decision against the church later admitted that Scientology had indeed been on trial, and that he wanted to "punish" the church by ordering it to pay \$39 million to Christofferson.

The Christofferson case, as it has come to be known, was a test case. If the jury's decision is allowed to stand, it will mean an open door to the destruction of all religions. If the decision is reversed by the judge, it will be a victory for religious freedom throughout the world.

Neither Christofferson nor her attorney, McMurray, ever mentioned that she was "damaged" by Scientology. Yet the jury decided the church should be "punished" because the girl's eyesight and IQ did not improve.

Freedom of Religion

Every religion makes promises to its followers.

If an evangelist preaches that the quality of life can be enhanced through faith in God and a belief in Christian principles, can a new convert then sue that religion for fraud if the quality of life does not sufficiently improve or even takes a turn for the worse?

If a Catholic prays for rain for his crops and God doesn't answer his prayer, is he then in a position to sue the Pope for fraudulent claims? The Pope is God's representative on earth, according to the Catholic religion. Is he therefore liable in a court of law?

This, as farfetched as it may seem, is precisely the issue at stake in this case. One's religious beliefs cannot be judged and regulated by the law; one's religion cannot be put on trial. To open the door to this collapse of the church and state is to open the door to the death of religious freedom in this country.

The founders of our country forbade the interference into religious matters by the state—including the courts—for very good reason.

In most cases, the benefits of religion are subjective and are not measurable in physical-universe terms as are the performance or results of commercial products or services. For example, the promised gas mileage of a particular automobile or the results expected of surgery can be easily measured and are expected to fulfill specific requirements as stated by the person selling or delivering the product or service. Such rigorous standards cannot and never have been applied to the results of praying or any other form of religious practice.

Additionally, and possibly more importantly, the spiritual benefits resulting from the adherence to or practice of a religion are directly proportional to the degree of faith, belief and dedication of its adherents—making the quantity and quality of the religious benefits attained the ultimate responsibility of the adherent himself, not his pastor or his priest.

Scientology is no different.

It promises benefits to the faithful in the form of spiritual gains. Spiritual gains and abilities as defined in Scientology cover a wide spectrum, including the ability to communicate, the ability to study and to remember and apply what one has studied, the ability to solve problems, the ability to focus one's attention on the present-time environment, the ability to control one's destiny, and the ability of the spirit to influence the body so that it is healthier.

A very important doctrine in Scientology is that the individual is responsible for his own condition, and

the amount of gain from practicing the religion is directly proportional to the degree of each person's dedication and application of Scientology principles in his life. As with other religions, the gains to be experienced from the use of Scientology principles are subjective and cannot be measured or adjudicated by anyone but the person himself.

That someone like Julie Christofferson can dabble in a religion for a short time and be talked out of her beliefs and practices by a deprogrammer is an indication only of her own degree (or lack thereof) of dedication to her religion. That she would then go on to claim that she was defrauded or damaged on the basis that some alleged "promises" were not kept is a matter that has no place in the courts of this country.

Seeds of Religious Intolerance

Clearly, nowhere in the laws of this country is there any proviso for such claims to be the subject of a lawsuit which could result in the awarding of such outrageous and punitive damages.

It was only a matter of hours before clergy and attorneys around the world began to recognize that the decision handed down by the Portland jury was the final blow that would open the door to the complete destruction of all religions.

If heresy trials are to become the fad of the day, an accepted activity for courts of this land, any religion can be put on trial. Imagine the spiritual benefits of the Catholic high mass being tried by a jury of atheists, or the value of Buddhist meditation being tried by a jury of Baptist parishioners.

The seeds of religious intolerance that have been sown in the courtroom in Portland pose a grave threat to all religions and right-thinking men. The unscrupulous attorneys who would line their pockets from Scientology's coffers will undoubtedly start looking to the greater prizes to be won from those older religions whose accumulated wealth far, far exceeds that of the relatively young religion of Scientology.

It is this very scenario of what will occur if the door is left open to try religious beliefs in a court of law that our forefathers envisioned centuries ago, and that has newly been viewed by men around the world today.

If there is to be any hope at all of restoring religious liberty in this country, the legal community must take a firm stand here and now to uphold the justice system and take any action necessary to effect an immediate reversal of the Portland jury verdict.

TRANSCRIPT OF RADIO SHOW "FREEDOM MAGAZINE" ON WTTT IN BOSTON ON
JUNE 11, 1985

Welcome back. This is David Aden with the Church of Scientology's "Freedom Magazine." We're talking about religious freedom today, and in particular we're talking about a case involving the Church of Scientology. Actually we're talking about several cases. But we're talking about one in particular involving the Church of Scientology in Portland, Oregon.

Phil Profit, who's the public affairs representative of the Church of Scientology in California was in Portland, was involved in covering the case out there, and dealing with the issues surrounding it, talking with the clergy who come to protest that particular decision. He's here with us today. If you'd like to give us a call, we have a few minutes left. From Boston we can be reached at 969-1060. From Metro West 651-1060. Again, we're talking about the issue of religious freedom.

Phil, almost as a wrap-up on this, it's obvious that the Portland case represented some situation where a government agency was trying to dictate to a religion what it should and should not do.

PP:

Oh yes, absolutely. In fact, it's interesting you should mention that government agency. I don't know if you're aware, but during the trial it was brought out that a government agent was actually planted within the Church and was involved in a plot to basically overthrow the Church. Gerald Armstrong who's a witness in the trial in Portland was filmed on video conspiring with another individual whom he thought to be within the Church and conspiring to overthrow the Church. The video tape showed Gerald Armstrong basically plotting to create false documentation which he said he could easily create and had done so in the past; to create false documents and plant them within the Church and then at a later date when the IRS or the FBI or somebody came to raid the Church would find this false documentation which would be very damaging to the Church, and, you know, there you go. Why it's all history then.

Gerry Armstrong was found to be working with the IRS, CID, Criminal Investigation Division, and the Department of Justice. And, in fact, on the video tape he gave the names of his contacts and their phone numbers.

So it was a very interesting revelation, and just that by itself coming out in the case made it worth going through all of that.

DA:

So in more ways than one the government had its fingers into this

case.

PP:

Absolutely. Absolututely.

DA:

What was the final goal of this plan that he was laying out?

PP:

Basically to obtain financial control of the church, and its assets.

Gerald Armstrong was represented by and working with an attorney in Boxford here named Michael Flynn who has had a personal vendetta against the church since 1979. And we find that Michael Flynn has a number of suits against the church, with ex-parishioners of the church which he has solicited, not just in the Boston area but around the country. And the sum total of these suits is in the neighborhood of like two billion dollars, I think. It's like totally insane.

So you can see, it's obvious that obtaining financial control of the church from an outside source and then settling all of the suits would be, of course, financially advantageous.

DA:

We've got to begin to wrap up now. Maybe thirty seconds. What do you see as the end goal of the coalition that came together.

PP:

I see as the end goal a restoration of our First Amendment rights, okay. Our rights as guaranteed to us under the Constitution. The right of a religion to believe as it will, to practice as it will its religious beliefs, free from government harassment, government control. I should hope that we will achieve that in the very near future. I'd like to see a growing awareness on the part of Americans of the Constitution, of the Amendments thereto, and their rights under the Constitution. And I'd like to see them aware of the fact that religion is under attack in this country.

DA:

Thanks very much for being here.

PP:

Absolutely, my pleasure.

DA:

We really appreciate it. We've been talking with Phil Profit who's a public affairs representative of the Church of Scientology of California. We've been talking about religious freedom, and its ramifications. This is David Aden of the

Church of Scientology's "Freedom Magazine." We're here every Tuesday from one to two in the afternoon. We'd like to hear from you. We enjoy you joining us, either through the phone, or writing. If you'd like to get in touch, you can reach me at the Church of Scientology, 448 Beacon Street, Boston 02115. 266-9500. I'd like to hear from you. If you have suggestions about the program, please give a call.

WTTP 244-7680

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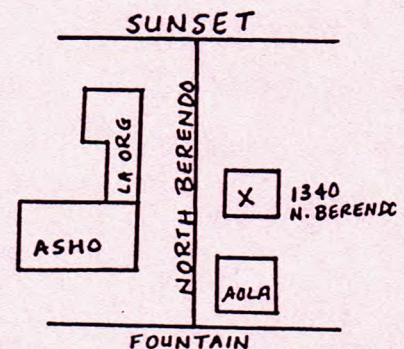
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Every 30 minutes on the hour & half hour

1 to come in for a free personality test and I said
2 "I'm an FBI agent. I know all about your organization.
3 Ron is hiding out even from his own people. We're going
4 to wipe you out within two years."

5
6 D. My accuser returned to the Boston organization
7 and with the assistance of his seniors identified me
8 as the individual to whom he had "spoken."

9
10 E. My accuser stated that I was with another individual.
11 Mr. Leonard did not have a physical dscription of this
12 individual, and did not know if the individual was male
13 or female.

14
15 3. I have never impersonated, nor identified myself
16 as an FBI agent or any other government official or employee
17 at any time. I have never led anyone to believe by any act on
18 my part that I was an FBI agent or a government official or
19 employee.

20
21 4. On October 13, 1985, at 2:00 p.m., I was at my
22 residence, writing. I did not travel anywhere all day.

23
24 5. I was not at the location described to me by Mr.
25 Leonard on October 13. In fact, I have never been to that
26 location in Boston, nor anywhere close to that location.

27
28 6. I have never talked to, since my arrival in Boston,

1 anyone whom I knew to be, or identified himself or herself as,
2 a Scientologist. Since coming to Boston I have never to my
3 knowledge been approached by a Scientology "body router."
4

5 7. The criminal complaint by the Scientology
6 organization is completely false. Any "evidence" is
7 "manufactured" pursuant to L. Ron Hubbard's policy attached
8 hereto as Exhibit A, which states:

9 "If attacked on some vulnerable point by anyone
10 or anything or any organization, always find or
11 manufacture enough threat against them to cause
12 them to sue for peace."

13 L. Ron Hubbard
14 HCOPL 8/15/60
15

16 8. This is not the first time Hubbard or Scientology
17 has sought to bring phony charges against me. They attempted the
18 same using the Los Angeles Police Department in 1983 during the
19 pendency of my civil lawsuit in the Los Angeles Superior Court.
20

21 I declare under the penalty of perjury under the laws
22 of the State of California that the foregoing is true and correct.
23

24 Executed this 23rd day of October, 1985 at Boston,
25 Massachusetts.
26

27
28


GERALD ARMSTRONG

HUBBARD COMMUNICATIONS OFFICE
37 Fitzroy Street, London, W.1

HCO POLICY LETTER OF 15 AUGUST 1960
Re-issued from Sthil

Assn Secs
HCO Secs

DEPT OF GOVT AFFAIRS

(Cancels any previous directions to set up a Special Zone Dept)
(This Policy Letter is mandatory all Central Organizations)

There shall be established on a board level and outside the structure of the Central Org and HCO but under the board of HASI Ltd, a new department to be called "The Department of Government Affairs".

More and more, as governments disintegrate under the threat of atomic war and communism, central organizations have had to give high executive time to governmental affairs to the great loss of the organizations themselves. The enturbulence entered into Scientology activities by legal matters, tax matters, and matters of assisting governments to maintain stability, has sapped our time and fixed our attention to our own loss.

Now to remedy this situation, I wish to contain and cordon, in a military sense, this incursion and to prohibit utterly and completely such entrance (of these matters or our own project for governments) into Central Org or HCO comm lines. In other words, Central Orgs and HCOs are run by, for and as Scientology service and activity units and the special Department of Government Affairs shall handle other matters and specifically deny such non-Scientology matters entrance into organizational comm lines.

The Department of Government Affairs shall be headed and directed with a minimum of personnel and shall not be able to call upon the personnel of the Central Org or HCO for further assistance than the relay of communications.

The Director of Government Affairs shall be a fully qualified person of good judgement subject to control of the Board of Directors and shall be subject to the advices and directions of the Board and the HCO and Assn Secretary. Only Washington and South Africa are excluded from supervision of the Dept by the Assn Sec, Org Sec and HCO Sec. In all other offices the Director of Government Affairs shall be subordinate to the Assn Sec and HCO Sec.

Under this department comes the corporation's solicitors, attorneys, chartered accountants and any attorney or accountant hired directly by the corporation for outside legal or tax or filing purposes.

The allotment and issue of shares comes under this department, but the actual invoicing and banking shall be done as always by the Dept of Accounts or, for HCO, by the HCO Secretary.

All contracts, filings with the government, all tax reports and their preparation, corporation minutes, annual meetings, legal papers, suits against and by the corporation, whether HASI Ltd or HCO Ltd, all legal investigatory work and detectives, all contacts with government agents, bureaus and departments, all assistance to governments, messages to governments, handling answers from governments or courts shall be cared for by the Department, whether to advance or protect Scientology or its corporations by government or legal channels.

All legal documents and the Valuable Document files for HCO and HASI shall be kept by the Department in a proper safe in accordance with previous rules written for the keeping and handling of valuable documents.

All share sales reports and all legal, governmental and corporation reports to be made to the boards shall be made to it by this Department.

No shares may be advertised or issued save with the approval of this department.

No contracts, purchases or mortgages may be undertaken without the approval of this Department and then only by the action of this Department.

It is clearly understood that the Department shall not undertake financial management for the Central Org or HCO nor may it direct the Central Org or HCO on purely Scientology affairs or Scientology dissemination except where these may impinge directly upon the government, and even then this Department is enjoined from forcing government laws or rulings upon the Central Org or HCO by threat of danger or ominous advices, nor may the Department employ either solicitors nor accountants who specialize in ominous advices to the Orgs since the Orgs could be discouraged or impeded by such.

The object of the Department is to broaden the impact of Scientology upon governments and other organizations and is to conduct itself so as to make the name and repute of Scientology better and more *forceful*. Therefore defensive tactics are frowned upon in the department. We are not trying to make the Central Orgs and HCOs "be good". We are trying to make their reach more secure and effective. Only attacks resolve threats.

In the face of danger from Govts or courts there are only two errors one can make: (a) do nothing and (b) defend. The right things to do with any threat are to (1) Find out if we want to play the offered game or not, (2) If not, to derail the offered game with a feint or attack upon the most vulnerable point which can be disclosed in the enemy ranks, (3) Make enough threat or clamor to cause the enemy to quail, (4) Don't try to get any money out of it, (5) Make every attack by us also sell Scientology and (6) Win. If attacked on some vulnerable point by anyone or anything or any organization, always find or manufacture enough threat against them to cause them to sue for peace. Peace is bought with an exchange of advantage, so make the advantage and then settle. Don't ever defend. Always attack. Don't ever do nothing. Unexpected attacks in the rear of the enemy's front ranks work best.

Never put the organization on "wait" because of courts or other matters. It's up to the Department to make the actions of HCO Secs and Org Secs *right*, not enjoin right actions on the HCO and Org Secs.

To win we must have treasure and verve. If a Central Org and HCO function perfectly as service units then treasure and consequent security for the further advance are to hand. If the Department operates with verve and elan, even with rashness, it will afford a screen behind which organizations can work.

Example: BMA attacks Scientology in Australia via the government. Answer: throw heavy communication against the weakest point of the BMA—its individual doctors. Rock them with petitions to have medical laws modified which they are to sign. Couple the BMA attack with any group hated by the government. Attack personally by threats or suits any person signing anything for the BMA. Slam the matter into politics, advance a bill into parliament that strips the BMA of all legal rights by opening healing to all. Make the attack by the BMA look ridiculous. Attack medical practices. Investigate horrible practices loudly. (*Always investigate loudly never quietly.*) Make the distinct public and governmental impression and BMA impression that they've run into a barrage of arrows or electronic cannon and that continued attack by them will cause their own disintegration. As all this is being done on a thought or idea level the restimulation of their engrams results in the total impression that they are surrounded by their own dead and the battery may fire again at any minute. And if one makes in writing not one slanderous or libelous statement, there is no defense by them. This example is patterned on what just happened and what we did in Australia where we are winning strongly.

The personnel of the Department should be freed of past track legal and governmental overts by the HGC using evening auditing. This is a must or the Department will otherwise attract attacks. Further, the higher the department personnel is raised on "control" through running help, the less action will have to be undertaken by it and the more it will actually accomplish without violent action.

The goal of the Department is to bring the government and hostile philosophies or societies into a state of complete compliance with the goals of Scientology. This is done by high level ability to control and in its absence by low level ability to overwhelm. Introvert such agencies. Control such agencies. Scientology is the only game on Earth where everybody wins. There is no overt in bringing good order.

The offices of the Department, so far as is possible, should be so situated as to bring no government traffic into the main avenues, comm lines or halls of the Central

Organization or HCO or so as to divert it to the maximum extent from said avenues, comm lines and halls.

The following personnel appointments are made, conditional to acceptance, as Directors of Government Affairs:

United States:	Marilynn Routsong	Los Angeles:	Dick Steves
South Africa:	Jack Parkhouse	Australia:	Denny Gogerly
London:	George Hay	New Zealand:	Steve Stevens.

In the United States and South Africa the head of the Department of Government Affairs shall be also Trustee or Area Director of the Central Organization while the Org Sec and Assn Sec shall not be, but will be officers of the corporation.

This policy letter and these appointments are prompted by the following facts:

1. My own traffic on government legal affairs is far too heavy and I need help of magnitude on a continental level.
2. HCO Secs and Assn Secs are having difficulty holding down their Orgs and the field because of the time demanded by government affairs.
3. The activity will get heavier rather than lighter.
 - (a) The deterioration of government order is accelerating with consequent confusion in all related affairs;
 - (b) Increasing amounts of order must be maintained by us at a governmental level against the possibility of finding our areas without governments.
4. We are about to file HASI Ltd and HCO Ltd in all areas with the attendant heavy legal and governmental action necessary.
5. We are about to arrange for the release of and the issue of over half a million pounds of shares to the public, thus making heavy demands on legal and government lines.
6. We are about to finance and erect various media of communications, such as radio stations, on the various continents and this will require enormous amounts of liaison and action in such a department.
7. We are about to finance and find new quarters in the United States and such activities come under the new Department.
8. Due to new clearing techniques, our sphere of control is widening. This is purely a case phenomenon, but will be felt heavily by Orgs in the future. It is necessary to provide comm lines for this widening of influence.

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L. RON HUBBARD

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ROCKEFELLER BROTHERS IMPLICATED

Bankrolling an Assault on Religion

Special FREEDOM Report

Documents recently made available to FREEDOM News Journal reveal that in 1983 and 1984, at least \$135,000 was provided by a tax-exempt trust to fund an attack on religious freedom in America, with clear indications that the money came from the Rockefeller family.

The money was reportedly filtered through a mysterious fund, known as the "Constellation Fund," established within the New York Community Trust, a trust which distributes donations for a number of large organizations. Mrs. Laurance Rockefeller — wife of Laurance Rockefeller, a grandson of John D. Rockefeller — sits on the Distribution Committee of the New York Community Trust.

According to information provided to FREEDOM, the \$135,000 grant made directly to an anti-religious group was sponsored by Richard Parsons, counsel of the Rockefeller Brothers Fund. Parsons, the center of controversy during congressional investigations into trust fund frauds in the 1970s, served as chief adviser to Nelson Rockefeller when Nelson, now-deceased brother of Laurance, was vice president of the United States.



Once laundered, the \$135,000 was given to Michael Flynn through large payments to a Clearwater, Florida, anti-religious group organized by Flynn.

son Rockefeller when Nelson, now-deceased brother of Laurance, was vice president of the United States.

As FREEDOM's investigation proceeded, it was learned that hundreds of thousands of additional dollars have been channeled from Rockefeller



David Rockefeller, past chairman of the Board of the Chase Manhattan Bank (1961-1981), is currently chairman of Chase Manhattan's International Advisory Committee.

trusts and funds to support anti-religious activities.

Research into the source of the \$135,000 has revealed that no "Constellation Fund" was ever incorporated or registered in the state of New York, and that there has been no

organization with such a name or with a similar name since the early 1970s.

Once laundered, the money was given to an obscure Boxford, Massachusetts, lawyer named Michael Flynn through large payments to a Clearwater, Florida, anti-religious group organized by Flynn.

Speaking at a press conference in Los Angeles on January 29, Rev. Heber Jentzsch, president of the Church of Scientology International, decried what he termed "this Rockefeller backing and perpetration of criminality."

Rev. Jentzsch charged, "The Rockefellers backed Adolf Hitler during World War II and they continue this tradition today by backing straw men who then attack religious men and churches."

Hidden Past

With their vast monetary resources, the Rockefellers are rarely out of the news. Usually, however, what the public sees of the Rockefellers' work are their attempts to appear philanthropic. In this instance, and in others documented by FREEDOM, it can be seen that the Rockefellers use their enormous monetary resources to destroy freedom and to increase their own position, status and wealth.

Documents obtained by FREEDOM show that I.G. Farben, a business associate of the Rockefeller-controlled Standard Oil of New Jersey, ran the hard labor camp at Auschwitz in order to produce synthetic rubber during World War II. I.G. Farben was also responsible for the manufacturing and supply of the lethal gas (known as "Zyklon B") used to eliminate Auschwitz inmates when they were no longer productive.

In another concentration camp known as Monowitz, I.G. Farben produced synthetic rubber from 1939 onward, under a joint license with the Rockefellers' Standard Oil.

Years later, in 1976, international outrage was expressed over the fact that thousands of blacks were being ruthlessly exploited in South Africa.

FREEDOM revealed that these

continued on page 3

Flynn and FAMCO: The Agents

In a 1984 issue of FREEDOM, it was revealed that a Boxford, Massachusetts, lawyer named Michael Flynn had engineered a criminal conspiracy in 1982 to pass a forged \$2 million check. The plot hinged on a counterfeit check drawn on the personal account of legendary author and Scientology founder L. Ron Hubbard at the Bank of New England in Boston.

According to signed affidavits, Flynn brought in underworld assistance to create the forgery he later used as "evidence" in a probate petition claim to gain control of Mr. Hubbard's estate.

The highly sensationalized probate claim was brought before Riverside, California, Superior Court Judge David Hennigan by Mr. Hubbard's estranged and disinherited son, Ron DeWolf, at the behest of Flynn.

Ruling that Mr. Hubbard wasn't a missing person but was simply exercising his constitutional right to privacy, the judge rejected DeWolf's Flynn-prompted claim and found Flynn in criminal contempt for violating the court's prohibition on disclosure of information obtained during discovery.

Flynn is currently under investigation by a Boston, Massachusetts, grand jury for his role in the counterfeiting and the attempt to pass the bogus \$2 million check.

These and other recently uncovered incidents involving Flynn tell a sordid tale of an attorney who has broken the law and shattered the canons of his own profession in his quest to line his own pockets.

FAMCO

The vehicle used by Flynn in his ill-fated endeavors was the Flynn

Associates Management Corporation (FAMCO).

Prior to FAMCO's incorporation in 1980, Flynn had a very rocky career as a personal injury attorney. A number of cases in his law practice illustrate his lack of competence.

For example, in a series of trials*, Flynn allegedly: bribed a key witness to not testify, offered the same man an additional \$18,000 bribe, threatened the man with retaliation (including physical harm to his children) when the second bribery attempt failed, threatened the man's wife that he would break her legs if her husband did not "cooperate," threatened the

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* This is described in detail in the October 1984 issue of FREEDOM News Journal.

"THE PRICE OF FREEDOM: CONSTANT ALERTNESS, CONSTANT WILLINGNESS TO FIGHT BACK. THERE IS NO OTHER PRICE."

FLYNN AND FAMCO

continued from page 1

wife with physical harm to the couple's nine children, and pressured another witness in the trials to perjure himself.

The key witness, George Edgerly, said, "[Michael Flynn] told me that he knew I was concerned about my family and that I had a lot of children who were little. He said that one of them could be hit by a car, and that anything like that might happen to my children."

Judge Henry Chmielinski's reprimands of Flynn during those trials are a matter of record, as is the bar complaint filed by the judge, in which he described Flynn's conduct as "contemtnous."

The Answer

Michael J. Flynn, while engaged in an effort to destroy the Church of Scientology by means of frivolous litigation, wanted to make as much money as he could.

FAMCO seemed to be the answer.

The incorporators and officers of FAMCO were Kevin Flynn (Michael's brother), Cheryl Flynn (Kevin's wife), and Michael Flynn.

The Flynnns outlined their sordid intentions on paper. The purpose of FAMCO, as stated in the corporation's document entitled "Scientology — Review and Planning" was "to position ourselves such that to fight us would be cost ineffective."

The document described a four-pronged attack:

1. Closing of Scientology organizations;
2. Adverse media (against the Church);
3. Adverse public reaction (against the Church); and

4. Federal and state attacks (on the Church).

According to an attorney for the Church, the suits were "designed to tax the Church of Scientology to the breaking point, to inconvenience and harass the institution so that it [would] be forced to settle with [Flynn] and to maximize the profits that [would] accrue to the lawyers."

Solicitation

In a promotional mailing sent to attorneys across the country, FAMCO included its "Class Action Case Development Program" in which Flynn

"(Michael Flynn) told me that he knew I was concerned about my family and that I had a lot of children who were little. He said that one of them could be hit by a car, and that anything like that might happen to my children."

— George Edgerly

promised that 1,000 lawsuits would be filed against the Church of Scientology by the end of 1981.

The Class Action Case Development Program offered the prospective attorneys a conveniently prefabricated package.

"We provide the clients, the damages, the pleadings, the memoranda, the documents, the witnesses and virtually everything required for an instantaneous trial with little or no

necessity for discovery," the document stated.

As an added incentive, the FAMCO plan included instant press coverage. Flynn boasted about the media outlets that propagated adverse publicity on the Church which was "attributable to our office":

- a) UPI and AP wire services
- b) "60 Minutes"
- c) Time magazine
- d) "Prime Time"
- e) The Reader's Digest
- f) The Saint Louis Post-Dispatch
- g) The Las Vegas Review-Journal
- h) ABC-TV in San Francisco
- i) The Clearwater Sun
- j) The National Enquirer
- k) the authors of the book, *Snap-ping*

- l) The Riverside Press-Enterprise
- m) The Los Angeles Times
- n) The Boston Globe

While *The New York Times* was not on the list, *Times* reporter Robert Lindsey has written a number of biased articles for that newspaper which served as pro-FAMCO propaganda.

Loss of Business

Another target on the FAMCO plan to make it "cost ineffective" for the Church to fight was to foment a

"loss of business" for the Church itself.

Members were to be induced to defect from the Church through continued exposure to FAMCO's anti-Church propaganda. The defectors were then to be organized into groups with FAMCO assistance and make themselves readily available for other "potential defectors."

Even with a slick, pre-packaged plan, the Flynn brothers and FAMCO could not muster the business they needed to bring their plan to fruition. A more aggressive recruitment method was required.

Influenced by Massachusetts psychiatrist John Clark, well known for his hatred of religion, and financed by a Rockefeller foundation, the Flynnns chose to use a modern psychiatric mind control tool euphemistically known as "deprogramming."

This method of "curing" people of their religious convictions was apparently appealing to the Flynn brothers. Reprogramming involves kidnapping, beating, raping, and any other physical or mental torture required to "free" the victim of his commitments and beliefs.

Kevin Flynn took charge of FAMCO's "recruitment" actions. He was a natural for directing these deprogramming operations, according to one investigator, due to his reported connections to certain individuals with interests in drug dealing and related activities. Kevin put together an effective team of thugs to perpetrate the kidnappings and torture.

Teamwork

The Flynn brothers worked as a team. After a person had been forced through Kevin's deprogramming process, he would be taken to Michael to be convinced that he should now sue.

According to a deprogrammer paid by FAMCO, at least eight such potential clients were referred to him by Kevin for deprogramming.

Their teamwork, however, was unsuccessful. As fate would have it, a number of these deprogramming victims turned around and sued the FAMCO brothers.

As the scandalous details of FAMCO's activities became public knowledge, Michael Flynn denied ever having implemented his sinister FAMCO plan to destroy the Church. To have done so, Flynn stated, would have created "the appearance of impropriety."

Despite Michael Flynn's denials, the activities carried out under the now-infamous FAMCO plan clearly show that he, his brother and others have followed their plans to the letter.

The fact that they have been wholly unsuccessful in their conspiracy does not negate the fact that they used FAMCO to commit one of the most vicious and insidious frauds ever perpetrated against a bona fide religion.

FREEDOM

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BANKROLLING

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blacks were confined in "mental health camps" which were in fact slave labor pools for large industries which kept the blacks under abhorrent conditions in abandoned mining shafts, employing shock treatment (without anesthesia) and other forms of cruel punishment to enforce obedience.

As reported in FREEDOM at the time, approximately 11,500 blacks were warehoused and "rented" to privately owned mines in the area. Shareholders of these camps — which included the Rockefeller-controlled Chase Manhattan Bank — received substantial profits from what was tantamount to slavery.

These blacks lived in wretched conditions: they were forced to sleep on thin mats on concrete floors in dormitories which were far too overcrowded. In some instances, abandoned mining shafts passed for "dormitories." There was no plumbing, and with the windows welded open, the dormitories were unbearably cold in winter. With no medical facilities worthy of the name, no real treatment was provided, and there was a high rate of patient illness and death.

Rockefellers Backed "Siberia Bill"

Rockefeller support of psychiatric police states has not been limited to Nazi Germany and South Africa. In 1954, acting Secretary of the Bureau of the Budget Nelson Rockefeller pushed for passage of the now infamously "Siberia Bill."

It was dubbed the Siberia Bill by its critics, because it would have established what was then the territory of Alaska as the site for massive warehousing of American "mental patients."

The proposed legislation, if enacted, would have created alarming parallels to the terror-filled psychiatric camps of Siberia in the Soviet Union.

Rockefeller support of the Siberia Bill was perfectly logical, in light of the family's entanglement with psychiatry. Members of the Church of Scientology, led by Scientology founder L. Ron Hubbard, opposed and fought the bill because of their belief in the spiritual nature of Man and because of their conviction that Man can achieve greater freedom.

Under the proposed law, for which Nelson Rockefeller so strenuously lobbied, any American could have been committed to a mental hospital

upon "written application by an interested party, by a health or welfare officer, by the Governor, or by the head of any institution in which the individual may be; and a certification by a licensed physician. . . ."

Not surprisingly, the bill made no provision for due process of law, and even allowed for emergency commitment procedures that would permit "Any health, welfare, or police officer" to seize and institutionalize a person without certification by a physician.

The Siberia Bill was defeated only after strong opposition by constitutional experts, who pointed out the dangerous threat to the basic Fourteenth Amendment protection of due process that this bill posed.

New York's "Siberia Bill"

In 1981, Harry Albright (executive assistant to Nelson Rockefeller during the time that Rockefeller was governor of New York) was a major supporter of psychiatric-oriented legislation which would have allowed a member of any religion to be committed based on the word of a family member or friend that the person was "mentally incompetent."

The New York bill, which was vetoed by then Governor Hugh Carey, mirrored the earlier Siberia Bill in several respects, and also provided for an emergency commitment procedure that would have allowed a person to be institutionalized in a psychiatric facility for a 30-day period without due process and even without certification by a physician.

That same year, Albright, who was also a trustee of the Bodman Founda-

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"... at least \$135,000 was provided by a tax-exempt trust to fund an attack on religious freedom in America."

\$135,000

Richard Parsons, counsel
Rockefeller Brothers Fund
and George O'Neill

\$135,000

"Constellation Fund"
New York Community Trust
(Assets: \$350 million)
Mrs. Laurance Rockefeller,
Distribution Committee member

\$135,000

Anti-Religion Organization
c/o Michael Flynn

EXCERPTS FROM

The Rockefeller File

Over the past 135 or so years, three generations of the Rockefeller family have accumulated vast wealth, the full extent of which is known to only a few.

The following are some highlights from the family's history:

- Oil magnate John D. Rockefeller was the founder of the current family fortune. The Rockefeller brothers, grandsons of John D. Rockefeller, extended their familial interests from oil alone into wider and far more diversified fields.

- David Rockefeller was chairman of the board of the Chase Manhattan Bank for 20 years (1961 to 1981), and currently is chairman of Chase Manhattan's International Advisory Committee. Chase Manhattan is one of the largest banks in the world.

- Nelson A. Rockefeller, deceased, was vice president of the United States under Gerald Ford. Prior to that,

from 1959 to 1973, he was governor of New York.

- John D. Rockefeller III, deceased, was chairman of numerous funds, foundations and organizations.

- Laurance Rockefeller is chairman of numerous financial enterprises, foundations and organizations.

- Winthrop Rockefeller, deceased, was governor of Arkansas and director of financial interests for the Rockefeller family. In addition, he was president of the National Association of Mental Health.

Particulars

- The Rockefellers have set up "philanthropic" foundations to enhance their public image. Such "philanthropy," however, involves the use of tax-exempt foundations that allow the Rockefeller family to evade death duties and taxes, thus perpetuating their wealth and influence.

- Through the Rockefeller founda-

tions, funds have been channeled to finance projects in social engineering, population control, eugenics, psychiatry, and education. These are in fact social experiments in totalitarian population control.

- In 1929, for example, the Rockefeller Foundation financed genetic research under Professor Ernst Rudin of the Kaiser Wilhelm Institute in Munich, Germany. Rudin became one of the leading architects of Hitler's race purification projects during the 1930s. In his classic work on violence, *A Sign for Cain*, Fredric Wertham, M.D., stated that Rudin "supplied the 'scientific' reasons according to which

A word coined by Francis Galton, an English psychologist, in the late 19th century, generally understood to mean the study of human biological manipulation by genetic control or engineering.



Oil magnate John D. Rockefeller was the founder of the current family fortune.

mass sterilizations of all kinds of physically and mentally handicapped persons took place. He was the chief architect of the [Nazi] compulsory ster-

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BANKROLLING

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tion, another Rockefeller fund, contributed \$25,000 to psychiatrist John G. Clark's anti-religion organization, the "Center on Destructive Cultism." Clark, who has a small private practice in Medford, Massachusetts, first attracted attention in 1978 for his statements at a psychiatric conference in Hanover, Germany.

The conference was sponsored by the German Association of Children's and Youth Psychiatry (GUYP), an organization which at that time still had a number of active members who had served as doctors and psychiatrists for Hitler's Nazi Party during World War II. Among these were Dr. Hildegard Hetzer who had worked in Poland at the NSDAP REICHELITUNG (the head office for social welfare), where she administered tests to Polish children to determine if they were "racially clean." The "clean" children were taken for "Germanization" and brought into the Reich. Those children who did not pass the tests were sent to concentration camps. One document reports that 20 per cent of the children passed the tests, while at least 1200 children were sent to be killed.

At the GUYP conference, when asked if the situation with minority religions in Germany was as in the U.S., Clark replied that the biological attributes of the people in the U.S. and Germany were the same, and therefore, the problems were the same.

When Michael Flynn, the eventual recipient of \$135,000 from the New York Community Trust, first filed suit against the Church of Scientology, he used verbatim the wording from an



Pictured above is Laurance Rockefeller, whose wife sits on the distribution committee of the New York Community Trust.

anti-religion article written by Clark.

Flynn was apparently not bothered by the fact that his client had no funds to pay him. Apparently also not bothered by the fact that there was only one plaintiff, he made this first suit a class action lawsuit. This suit became the basis for a plan by Flynn and others to sell shares in other anti-religion suits that he later filed around the country. (See "Flynn and FAMCO: The Agents," page 1.)

Puzzled at how an IRS-recognized, tax-exempt trust worth more than \$350,000,000 could get away with bankrolling Flynn's attack on religious freedom, Church investigators inquired further.

The Meeting

According to Flynn associate Gerry Armstrong, a meeting was held in

October 1982 at the palatial Oyster Bay, New York, estate of Abby Rockefeller Mauze, granddaughter of the original John D. Rockefeller and sister to Laurance, Nelson and David Rockefeller.

According to Armstrong, those present at the meeting included Armstrong himself, lawyer Flynn, Abby Mauze Rockefeller O'Neill (daughter of Abby Rockefeller Mauze), her husband George, and others.

The October 1982 meeting was held, according to Armstrong, for the purpose of discussing pending litigation involving the Church of Scientology.

Rockefeller attorneys and Flynn have sought to evade all legal inquiries into the nature of the meeting, and to block any attempt to determine the details of what was discussed.

One example of this surfaced during a deposition of George O'Neill. Attorney Richard Parsons, mentioned previously in regard to his sponsorship of the \$135,000 grant to Flynn's anti-religious organization, represented O'Neill when he was deposed on the subject of his connections with Michael Flynn. Parsons refused to allow O'Neill to answer any questions regarding the content of his communications with Flynn.

The meeting in Oyster Bay was held just 10 days before Flynn filed a probate petition in Superior Court in Riverside, California, in an unsuccessful attempt to gain custody of the estate of Scientology founder L. Ron Hubbard in the name of his disinherited son, Ronald DeWolf. DeWolf, according to Armstrong, also attended the October meeting at the O'Neill estate.

The probate suit was thrown out of court, and Flynn was held in criminal contempt by Superior Court Judge

David Hennigan for illegally disseminating private, court-sealed materials. His client, DeWolf, was forced to pay court costs. It was later revealed that Flynn had masterminded a criminal conspiracy in order to set up the "facts" upon which the probate petition was based. (See "Flynn and FAMCO: The Agents," page 1.)

Rev. Heber Jentzsch stated that the Rockefeller's funding of the Flynn attacks was "not surprising when one considers that L. Ron Hubbard was instrumental in defeating Nelson Rockefeller's proposed 'Siberia Bill' legislation in the mid-1950s. That bill called for concentration camps to be set up in Alaska to house hundreds of thousands of U.S. citizens involuntarily committed under Rockefeller-backed and proposed conservatorship laws." However, the "Siberia Bill" was defeated after Mr. Hubbard and Scientologists exposed the threats to basic human rights and spiritual freedom posed by the bill.

Through the years, the actions of the Rockefellers have tended to support efforts aimed at controlling populations. (See "Excerpts from the Rockefeller File," page 3.)

"Similarly, Flynn's efforts are geared toward seizing control," Rev. Jentzsch said, "in this case, control of the affairs of a large and rapidly growing church. No wonder he chose a Rockefeller-backed interest to fund his unconscionable assault on religion."

"Flynn's vicious attacks on religious freedom in America, and the hard-learned lessons from history of similar violations of basic freedoms," he added, "are an alarming warning of what lies in store if we do not constantly work to protect and safeguard our constitutionally guaranteed rights."

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ilization law of 1933. . . . The compulsory sterilization law was the forerunner of the mass killing of psychiatric patients, which was organized and carried out with Rudin's full knowledge. He expressly warned psychiatrists against the "excessive compassion and love of one's neighbor characteristic of the past centuries."

4. The Rockefeller foundations have continued to support eugenics in a number of countries; their funds have helped men like Alexis Carrel in the U.S. Carrel was an admirer of the Nazi eugenics thesis who worked for the Rockefeller Institute. In his book, *Man, the Unknown*, published in 1935, Carrel wrote, "In Germany, the government has taken energetic measures against the multiplication of inferior types; the insane and the criminals. The ideal solution would be to

eliminate all such individuals as soon as they proved dangerous."

5. In line with the Rockefellers' support of psychiatry and social engineering, David Rockefeller has attended mental health conferences with Canadian psychiatrist Brock Chisholm, who advocated the "reinterpretation and eventual eradication of the concept of right and wrong" and the destruction of morality through psychiatry.

6. In 1929, Rockefeller-owned Standard Oil of New Jersey made an agreement with the German firm, I.G. Farben, regarding the manufacturing of synthetic rubber, which later resulted in a serious impediment of the U.S. war effort in Europe. The Standard-Farben synthetic rubber cartel prevented other potential manufacturers from producing this material



In 1954, acting Secretary of the Bureau of the Budget Nelson Rockefeller pushed for passage of the now infamous "Siberia Bill." (See cover story: "Bankrolling an Assault on Religion.")

during World War II.

7. Additionally, I.G. Farben was involved with the Monowitz concentration camp where, under the joint

license held with the Rockefellers' Standard Oil, synthetic rubber was manufactured. While Standard Oil produced synthetic rubber in the United States, concentration camp labor was used by Farben for the same purpose in Germany, starting in 1939.

8. Farben was also responsible for the manufacture and supply of lethal "Zyklon B" gas, which was used to eliminate the inmates of Auschwitz when they were no longer productive.

9. The Rockefellers play an important role in the manufacturing and marketing of innumerable drugs, including some that have not been in the public interest. For example, in 1940, the Rockefeller-Farben drug and chemical combine released a new antibiotic, Sulfathiazole, which contained Luminal, a sleep-inducing agent. Sulfathiazole was later found to have caused many deaths. It was discovered that Sulfathiazole contained five times the dose of Luminal normally needed to induce sleep. ▲